

8-8-2002

Meeting Notes 2002-08-08 [Part A]

Joint Policy Advisory Committee on Transportation

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A G E N D A

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METRO REGIONAL SERVICES
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PORTLAND OR 97232

METRO

TEL 503-797-1916 FAX 503-797-1930

MEETING: JOINT POLICY ADVISORY COMMITTEE ON TRANSPORTATION

DATE: August 8, 2002

DAY: Thursday

TIME: 7:30 a.m.

PLACE: Metro Conference Room 370A and B

- | | | |
|--------|--|---------|
| 7:30am | 1. Call to Order and Declaration of a Quorum. | |
| 7:35am | 2. Citizen communications to JPACT on non-agenda items | 5 Min. |
| 7:40am | *3. Minutes of July 11, 2002 meeting – <u>APPROVAL REQUESTED</u> | 5 Min. |
| 7:45am | 4. Endorsement of ODOT Pedestrian and Bicycle Grant Applications –
<u>APPROVAL REQUESTED</u> – Bill Barber | 5 Min. |
| 7:50am | 5. Proposed Air Toxic Program – <u>INFORMATIONAL</u> – Sara Armitage, DEQ | 15 Min. |
| 8:05am | 6. Proposed ODOT Guidelines for Formation and Operation of Area
Commissions on Transportation (ACTs) – <u>INFORMATIONAL</u> – Andy
Cotugno | 15 Min. |
| 8:20am | 7. Transportation Investment Task Force – <u>UPDATE</u> – Larry Haverkamp | 10 Min. |
| 8:30am | 8. TEA-21 Reauthorization Issues Paper – <u>DISCUSSION</u> – Andy Cotugno | 30 Min. |
| 9:00am | 9. Adjourn | |

* Material available electronically. Please call 503-797-1916 for a paper copy.

** Not all material on this agenda item is available electronically.

All material will be available at the meeting.

JOINT POLICY ADVISORY COMMITTEE ON TRANSPORTATION

July 11, 2002

Meeting Minutes

MEMBERS PRESENT

Rod Monroe
Fred Hansen
Maria Rojo de Steffey
Kay Van Sickle
Rob Drake
Craig Pridemore
Larry Haverkamp
Royce Pollard
Stephanie Hallock
Rod Park
Jim Francesconi
Rex Burkholder

AFFILIATION

Metro
Tri-Met
Multnomah County
Oregon Department of Transportation (ODOT Region 1)
City of Beaverton, representing Cities of Washington Co.
Clark County
City of Gresham, representing Cities of Multnomah Co.
City of Vancouver
Oregon Department of Environmental Quality (DEQ)
Metro
City of Portland
Metro

MEMBERS ABSENT

Don Wagner
Karl Rohde
Bill Kennemer
Bill Wyatt

AFFILIATION

Washington Department of Transportation (WSDOT)
City of Lake Oswego, representing Cities of Clackamas Co.
Clackamas County
Port of Portland

ALTERNATES PRESENT

Michael Jordan
Dave Lohman

AFFILIATION

Clackamas County
Port of Portland

GUESTS PRESENT

Laurel Wentworth
Ron Papsdorf
Lance Greensback
Susie Lahsene
Kathy Lehtola
Tom Markgraf
L.A. Ornelas
John Wiebke
John Fratt
Dean Lookingbill
Dave Nordberg

AFFILIATION

City of Portland
City of Gresham
Cambridge Systematics, Inc.
Port of Portland
Washington County
Earl Blumenauer's Office
OHSU
City of Hillsboro
Port of Vancouver
SW Washinton RTC
Oregon Department of Environmental Quality (DEQ)

STAFF

Andy Cotugno
Kim White

Richard Brandman
Renée Castilla

Mike Hoglund
Bill Barber

Ted Leybold

I. CALL TO ORDER AND DECLARATION OF A QUORUM

Chair Monroe called the meeting to order and declared a quorum at 7:36am.

II. CITIZEN COMMUNICATIONS TO JPACT ON NON-AGENDA ITEMS

There were no citizen communications.

III. MINUTES OF MAY 9, 2002 JPACT MEETING

ACTION TAKEN: Rob Drake moved and Larry Haverkamp seconded the motion to approve the meeting minutes of May 9, 2002. The motion passed.

MINUTES OF JUNE 13, 2002 JPACT MEETING

ACTION TAKEN: Craig Pridemore moved and Larry Haverkamp seconded the motion to approve the meeting minutes of June 13, 2002. The motion passed.

IV. ODOT STIP – INTERIM PROJECT ELIGIBILITY CRITERIA AND PRIORITIZING FACTORS

Dave Williams presented the ODOT STIP – Interim Project eligibility criteria and prioritizing factors. (Included as part of this meeting record.)

He stated that ODOT plans to program three projects for modernization in the next STIP. Those are:

- 1) US 26/217 to Murray because ODOT is legislatively mandated to restore the Barnes Road ramp by FY 05
- 2) The \$1.9 million commitment owed to Boeckman Road;
- 3) \$2 million commitment on US 26 Zigzag Road to Rhododendron.

The remaining modernization funds they hope to use for PE on the Delta Park/Lombard project as well as Sunrise Corridor in Clackamas Counties. This will assist them in obtaining federal funds for demonstration projects later.

Rex Burkholder asked why the eligibility criterion regarding TSP consistency did not apply to bridge projects as it does to modernization and preservation. He is concerned that bridge rehabilitation projects seem to ignore other plan objectives such as bike and pedestrian improvements.

Dave Williams responded that ODOT does what they can to the degree feasible within certain physical constraints. Also, the main criterion for preservation and bridge was that relating to the management systems – ODOT does not have the money to do pavement and bridge rehabilitation solely to add street amenities. Hence, ODOT shall only consider such projects if the physical condition of the roadway warrants it.

Rex Burkholder stated that in the criteria is not specifically explained.

Dave Williams stated that the questions are fair and he would pass the comments and concerns on.

Fred Hansen asked whether the “narrow” interpretation of modernization ODOT applied to OTIA remains in effect for the next STIP update. He further stated that the 2004-07 STIP is not OTIA and the standard definition of modernization applies.

Dave Williams agreed with Fred’s statement and stated that if JPACT finds his projects worthy of funding and they are included in the financially constrained RTP then ODOT would consider them for funding.

Fred Hansen stated he would like to see multi modal addressed in the permanent criteria.

Dave Williams stated he would pass on those comments.

V. RESOLUTION NO. 02-3206 FOR THE PURPOSE OF ADOPTING THE POLICY DIRECTION, PROGRAM DEVELOPMENT AND EVALUATION CRITERIA FOR THE PRIORITIES 2003 METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM (MTIP) UPDATE

Mike Hoglund presented Resolution No. 02-3206 For the purpose of adopting the policy direction, program development and evaluation criteria for the priorities 2003 Metropolitan Transportation Improvement Program (MTIP) update. (Included as part of this meeting record.)

Mike Hoglund stated that both MPAC and TPAC recommended approval of this resolution. He further stated that there were no major issues however, some TPAC committee members had concerns regarding the match differentials and size of the matches. The other issue was the question of allocating funds at the local levels for projects. He said he spoke with Mayor Drake regarding allocating funds at the local level and explained that currently counties work with their cities on a package of projects. However, with FHWA and TEA-21 funds; sub-allocation to local jurisdictions is not allowed. He stated that the JPACT tries for a geographic emphasis on the final program. He further stated that there were clarification issues on the definition of industrial and intermodal connectors.

Chair Monroe reiterated that JPACT cannot sub-allocate funds to local partners. However, JPACT can give the local partners say in the application process and try to find a balance that works within the federal guidelines.

Mike Hoglund also stated that the purpose of Mayor Drake’s request was that the MTIP process be simplified.

Rob Drake stated that the MTIP process is a complicated system. He stated that the average citizen has a hard time coming to regional meetings and because his staff often is buried in the paperwork, they are unable to talk to citizens about the issues and processes.

Dave Lohman stated that for the average citizen, the MTIP is an incredible process. Citizen comments are helpful for making and sorting through difficult decisions, however because it is such an extensive process it is often confusing to the public. He then directed the committee members to page 3 of 4 under “other policy objectives” and asked if points were going to be given to projects that only complete the gaps within the system without improving or fixing another problem.

Mike Hoglund stated that in order for a project to receive a 90/10 match, the project would have to go through a screening to determine if the project completes the system. He stated that a project would have to finish a segment and not begin a new segment.

Dave Lohman then directed the committee to page 11 of 14 regarding multi-use pads. He asked if a project was great at affordable housing and/or accessing a town center but did not do anything else would it end up with lower ranking. He also asked whether a project should receive bonus points for supporting the economy.

Mike Hoglund stated that Metro staff feels trails should be eligible for match dependent upon location within 2040. However, if they are outside of a center then they should be funded at a 70/30 match. If they are inside a center then they should be funded at a 90/10 match. Mike also noted that a project must show an economic or centers benefit to be included in the program.

ACTION TAKEN: Fred Hansen moved and Rob Drake seconded the motion to approve Resolution No. 02-3206. The motion passed.

Chair Monroe took a moment to welcome Commissioner Jim Francesconi, City of Portland and Commissioner Michael Jordan, Washington County.

VI. OREGON HIGHWAY PLAN AMENDMENT ON DESIGNATION OF SPECIAL TRANSPORTATION AREAS (STAs) COMMENTS

Mike Hoglund presented the Oregon Highway Plan amendment on designation of special transportation areas (STAs). (Included as part of this meeting record.)

Mike Hoglund presented Attachment 2 changes drafted by the Port of Portland. (Included as part of this meeting record).

Kay Van Sickel stated that STAs were originally intended for rural communities to spur some of their redevelopment leads. They first began as demonstration projects and were not thought through toward how they would work with MPO's.

ACTION TAKEN: Dave Lohman moved and Rob Drake seconded the motion to approve letter with proposed amendments by the Port of Portland.

Dave Lohman stated that the Port of Portland was concerned about transportation improvements and creating a new level of flexibility with the freight corridors that have been established.

Fred Hansen addressed concerns he had with the Port of Portland's additional language; fourth bullet on second page. The addition of "ODOT freight planning staff must review these strategies." He feels this should be deleted because what ODOT does internally is up to them. He also expressed concern with the deletion of "and safety" in the seventh bullet on the second page.

Kim White stated that she deleted "and safety" because she feels safety should be handled at the project development stage. That any changes for safety, operational and maintenance impacts should be looked at then.

Larry Haverkamp stated that he agreed with Fred Hansen that must is too a strong of a word, however emphasized that freight is very important.

Kay Van Sickel stated that Metro staff should express their concerns and send in their recommendations but is unsure how ODOT staff would react to such strong language.

Rod Park suggested replacing "must" with "should" for having ODOT freight planning review STA's.

Rex Burkholder asked about the state highway system with relation to freight and stated both are important critical pieces.

Dave Lohman stated that the Port would like to see the RTP Freight System designated in the State Highway plan because there are things in the freight system that are not included in the highway plan.

Mike Hoglund stated that the freight system in the RTP appears to be OK and indicated it does go through town centers. However, the freight system shows very little on the National Highway System.

Rod Park asked what the Port gains by adding the national highway system.

Susie Lahsene stated that they looked at criteria for establishing STAs on key freight corridors. She stated that the STAs need to be looked at about how they relate specifically to freight and what the freight impacts would be on freight corridors if they coincide with an STA.

Fred Hansen stated he is willing to make STAs work for overall 2040 land use goals but is not prepared to support the National Highway Plan.

The Motion passed with two friendly amendments. 1) Removing National Highway System from the Port of Portland's amendments and 2) changing "must" to "should" on bullet 4 of the Port of Portland's amendments.

VII. NATIONAL COMMODITY FLOW AND FHWA'S FREIGHT FRAMEWORK ANALYSIS

Dave Lohman introduced Lance Greensback with Cambridge Systematics, Inc. who presented the National Commodity Flow and FHWA's Freight Framework Analysis. (Included as part of this meeting record.)

Chair Monroe advised the committee that the first meeting of the Transportation Investment Task Force is scheduled for Tuesday, July 16, 2002 and he would have a full report at the next JPACT meeting.

VIII. BI-STATE TRANSPORTATION COMMITTEE RECOMMENDATIONS FOR THE I-5 CORRIDOR

Andy Cotugno presented the Bi-State Transportation Committee recommendations for the I-5 Corridor. (Included as part of this meeting record.)

Larry Haverkamp stated he would like other jurisdictions, besides the obvious, be given the opportunity to comment on the Bi-State Transportation Committee's recommendations for the I-5 Corridor.

Jim Francesconi stated that first; he would like to see follow-up happen about the freight mobility questions, what is happening and how to address it. Second, to obtain more citizen and business involvement for this issue. Third, focus on ISTEA reauthorization and funding.

Andy Cotugno stated that at a previous JPACT meeting he handed out a paper regarding the reauthorization of TEA-21. He asked members to review that handout and be prepared for a discussion on options and priorities August meeting. He further stated that the reauthorization discussion would be broken up into two categories; the policy issues would be discussed at the August meeting and the project issues such as earmarking priorities would be discussed in October and/or November.

IX. ADJOURN

There being no further business, Chair Monroe adjourned the meeting at 9:20 am.

Respectfully submitted,

Renee Castilla

M E M O R A N D U M

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METRO

DATE: August 7, 2002

TO: JPACT and Interested Parties

FROM: Andy Cotugno, Planning Director

SUBJECT: **ODOT Pedestrian and Bicycle Grant Applications for JPACT Endorsement**

The ODOT Bicycle and Pedestrian Program has limited funding available (about \$2 million statewide) for pedestrian and bicycle projects. Eligible projects include sidewalk in-fill, ADA upgrades, pedestrian crossings, intersection improvements, and minor roadway widening for bikeways. The maximum ODOT Bicycle and Pedestrian Program grant amount available per project is \$200,000.

As part of the ODOT application process, grant applicants are required to obtain endorsement of their projects by the appropriate "Area Commission on Transportation" (ACT) prior to submittal of the application. For the Metro region, JPACT acts as the "ACT." Metro and ODOT are using the following process for obtaining JPACT endorsement for Metro area bicycle and pedestrian project proposals:

1. At TPAC on July 26, 2002, Metro and ODOT staff presented a recommended list of bicycle and pedestrian projects to be forwarded to JPACT for endorsement on August 8, 2002. TPAC approved the process and the project list, which included fourteen project descriptions.
2. Two additional projects (from Milwaukie and Tigard) were submitted for Metro and ODOT staff review during the time period following the July TPAC meeting and preceding the August JPACT meeting. The endorsement process allows for additional projects to be added to the list, and for a jurisdiction to substitute a project prior to the JPACT endorsement. Metro and ODOT staff recommends JPACT endorsement of the projects from Milwaukie and Tigard.
3. Washington County and West Linn have decided not to submit a project this year and requested that their projects be removed from the list approved by TPAC.
4. The JPACT endorsement of bicycle and pedestrian projects will be forwarded to ODOT Bicycle and Pedestrian Program staff in Salem following the August 8, 2002 JPACT meeting.
5. Individual project applications from cities and counties must reach Michael Ronkin, the ODOT Bicycle/Pedestrian Program Manager, by August 30, 2002.

The attached list proposed for endorsement by JPACT includes fourteen project proposals submitted by thirteen jurisdictions. The City of Portland is allowed to submit two proposals. The proposals were screened for eligibility for ODOT's grant program, and TPAC recommends that all of the projects be submitted to ODOT for consideration. This endorsement is simply an assessment of the project eligibility and JPACT's support that they be considered for funding. It is not a statement of priority among the project applications. ODOT will select projects for funding from among the applications.

Eligible projects include sidewalk in-fill, ADA upgrades, pedestrian crossings, intersection improvements, and minor roadway widening for bikeways. The maximum ODOT Bicycle and Pedestrian Program grant amount available per project is \$200,000. The projects are listed below by jurisdiction, and are described in more detail in the following pages.

Project List by Jurisdiction

- Beaverton: 155th Avenue Bicycle and Pedestrian Improvements
- Clackamas County: Park Avenue (Hwy. 99E to River Road) Bike Lanes
- Forest Grove: Town Center Pedestrian Improvements
- Gresham: Norman Street Sidewalk Improvement
- Happy Valley: SE Callahan and SE 132nd Sidewalks and Bike Lanes
- Hillsboro: SE Cypress Street/SE 32nd Ave. Bicycle and Pedestrian Enhancements
- Lake Oswego: Country Club Road (Boones Ferry Rd. to Lake Oswego High School/Jr. High
- Milwaukie: 42nd Avenue Sidewalk Improvements (Johnson Creek Boulevard to Olsen Street)
- Multnomah County: Stark Street (190th to 223rd) Pedestrian Improvements
- Portland: Esplanade Bike Signal
- Portland: Tacoma Main Street Plan, Phase II Improvements
- Oregon City: Washington Street (12th Street to 16th Street) Bike Improvements
- Tigard: Center Street Sidewalk (Lincoln Street to Greenburg Road)
- Wood Village: Arata Road (Wood Village Town Center to NE 238th Ave.) Pedestrian and Bicycle Improvements

AC/bb

Attachment: Metro Area Bicycle and Pedestrian Projects Submitted for JPACT endorsement to Meet ODOT Grant Requirements

METRO AREA BICYCLE AND PEDESTRIAN PROJECTS SUBMITTED FOR JPACT ENDORSEMENT TO MEET ODOT GRANT REQUIREMENTS

Beaverton: 155th Avenue (Middleton Court to Rigert Road at Sexton Elementary School) Bicycle Lanes and Sidewalks

The project extends from the existing bike lanes and sidewalks at Sexton Mountain Elementary School north to the Hart Road multi-modal improvement project terminus at Middleton Court, which will soon be under construction. 155th Avenue currently has two travel lanes with narrow shoulders. The proposed project fills a gap in the bicycle and pedestrian circulation systems in this location. The project removes a deterrent to schoolchildren walking and bicycling to and from Sexton Mountain Elementary School. It also provides bicycle and walking access to recreation facilities in the immediate area and to Tri-Met bus route #88 on Hart Road, which serves the Beaverton Transit Center and MAX light rail station. The project has high use potential and is designed to a high standard. The Beaverton BIKE Task Force supports the project, which is identified in the adopted Transportation Element of the Comprehensive Plan.

Clackamas County: Park Ave. (99E to River Road) Bike Lanes

Construct 6 foot bike lanes along both sides of Park Ave. The length of this segment is 2,200 feet. We would widen the road by 8 feet on each side for a total of 36 feet overall. Each end of Park Avenue is within a half mile of the North Oak Grove Elementary School, via existing bike lanes on River Road or via the Old Portland Trolley Tracks now owned by Metro. Park Ave. bike lanes would connect with River Road on the west and the Trolley line (future park path) on the east. Hwy 99E is also within 100 feet of the trolley line. Oatfield bike lanes are just 800 feet away to the east also. Tri Met bus lines travel on River Road and Hwy 99E. Park Ave. improvements would allow residents access to either bus line. The Senior citizens center and apartment residences at the west end of Park Ave. and River Road would gain access to the old Trolley line and the commercial area of 99E (7-11 store @ Park and Hwy 99E). Approximate Cost for design, engineering and construction: \$250,500

Forest Grove: Town Center Pedestrian Improvements

This proposal will add or replace sidewalks along the Town Center couplet (Pacific Avenue and 19th Avenue) and enhance the safety and visual appeal of the pedestrian environment. The project implements local and Metro plans for the Town Center and is listed as a "financially constrained" project in the 2000 Metro Regional Transportation Plan. Currently no funding is available for these improvements. The couplet has deteriorated significantly due to decades of use as a State Highway that carried heavy truck traffic. Responsibility for maintenance of a portion of this roadway has been transferred from the State to the City. The City will use its limited resources to repave as much of the couplet as possible. Due to the limited nature of these funding sources, sidewalk improvements are not included. Amount: \$200,000

Gresham: Norman Street Sidewalk Improvement

City of Gresham is requesting \$100,000 to build sidewalk on two blocks of Norman Street; a local street connecting an established residential neighborhood to the new Gresham Station transit oriented development and City Hall Transit Center. This project will complete the sidewalk corridor creating a safe and pedestrian friendly neighborhood.

Happy Valley: SE Callahan and SE 132nd Sidewalks and Bike Lanes

The proposed project would provide sidewalks and bikeways on two streets that would form a perimeter surrounding Happy Valley Park and Happy Valley Elementary School. The two streets concerned are SE Callahan and SE 132nd. This project will complete a system and provide access to the park, the school, and an adjacent trail system in the wetland park. Also, the sidewalk access will provide a better connection to the Tri Met bus stops on those streets. This project is within the existing right of way. The first phase of this project is SE Callahan. SE 132nd will be submitted in a future year as a separate, phase two project.

Hillsboro: SE Cypress Street/SE 32nd Avenue Bicycle & Pedestrian Enhancements

Restripe and sign existing roadway from E. Main Street to SE 21st Avenue to allow for continuous bike lanes on both sides of the road. Signalized pedestrian crossings over SE Cypress Street and SE 32nd Avenue would be installed at SE 28th Avenue and SE Cedar Street. The pedestrian crossings would include in-road flashers, pavement crossing treatments and overhead infrared detectors.

Lake Oswego: Country Club Road (Boones Ferry Road to Lake Oswego High School/Junior High) 1,870 lineal foot section of sidewalk with curbs.

Country Club Road's Critical characteristics include: ADT=23,000 VPD, posted speed of 40 MPH, and classification as a Major Arterial on the city of Lake Oswego's TSP. Boones Ferry Road's critical characteristics include: ADT=25,000 VPD, posted speed of 40 MPH. It is classified as a Major Arterial on the City of Lake Oswego's TSP. Both facilities carry the bulk of the truck traffic through the City of Lake Oswego.

The missing portion of sidewalk will fill-in a gap between two existing sections of sidewalk and should help to encourage pedestrian use of the adjacent sidewalks. The missing section is along developed or parks property that has very little potential for development in the near future. The sidewalk would close a critical gap for pedestrian movements along both Country Club and Boones Ferry Road. South on Boones Ferry Road is a town center and east on Country Club/Avenue is another of the City's town centers. Most significantly, the connection services the Lake Oswego High School, Lake Oswego Junior High, Uplands Elementary School, Springbrook Park and Our Saviors Lutheran Church. The sidewalk will provide a critical connection for school age pedestrians and the surrounding neighborhoods and should service a great number of pedestrians that are uncomfortable using the existing shoulder. The sidewalk will provide a safe environment for pedestrians, and aid in the function and safety of bicycle and vehicular travel lanes along both facilities. The Lake Oswego High School remodel, which has been recently started, will provide sidewalks on the north side of Country Club Road. Estimated Cost: \$141,000 includes engineering.

Milwaukie: 42nd Avenue Sidewalk Improvements (Johnson Creek Boulevard to Olsen Street)

Currently, there are no walkways on the section of 42nd Avenue from Johnson Creek Boulevard to Olsen Street, so children, transit users, and local residents must walk on or alongside the narrow 20-foot wide roadway. 42nd Avenue is classified as a collector that connects the Ardenwald and Lewelling neighborhoods with Johnson Creek Boulevard to the north and routes traffic towards King Road and the Hector Campbell neighborhood to the south. This project will provide a safe walking route for local residents and children attending Ardenwald Elementary School, brings connectivity to existing sidewalks at Roswell Street, Olsen Street and Johnson Creek Boulevard, and links residents to transit routes, neighborhood parks and commercial shopping centers. This project would construct approximately 3,800 lineal feet of curb and sidewalk and approximately 650 lineal feet of 12-

inch storm main. 42nd Avenue is a key pedestrian route identified in the City's adopted Transportation System Plan and this project is currently in the City's Capital Improvement Plan for 2003-2007.

Project Cost Estimate: \$330,000

City Match: \$130,000

Grant Request: \$200,000

Multnomah County: Stark Street (190th and 223rd Ave.) Pedestrian Crossing Improvements

The County will apply for one grant to provide improvements at three existing crosswalks on Stark Street between 190th Avenue and 223rd Avenue. Stark Street is a busy five lane arterial. Improvements will provide pedestrian islands and signing and striping improvements to provide refuges for pedestrians and improve visibility for motor vehicle drivers.

***Portland: Esplanade Bicycle Signal**

This project will make use of existing signal conduit to create a bicycle-pedestrian only signal phase for northbound cyclists exiting the Eastbank Esplanade off-street path and rejoining the roadway at the intersection of NE Interstate Avenue and NE Oregon Street (east end of the Steel Bridge). The problem addressed is that northbound cyclists exiting the pathway must execute a two-phase movement to properly align themselves to continue on the northbound bike lane on Interstate Avenue. This project will also benefit eastbound cyclists who must currently cross a right-turn lane with high volumes of fast-moving right-turning vehicles. This design is similar to one recently implemented at the intersection of the Broadway Bridge with the Lovejoy Ramp in NW Portland, and, like that project, will meet bicycle signal head warrants developed by the State of California. Part of the project will also call for evaluating the effectiveness of this treatment.

***Portland: Tacoma Main Street Plan, Phase II Improvements**

Phase II improvements build off of work completed in Phase I (to be constructed in August '02). Phase I of the plan re-stripes Tacoma St and changes parking regulations, in part to create the space necessary to construct the crossing improvements recommended in Phase II.

The major elements of Phase II are a series of landscaped median refuges that function as enhanced pedestrian/bicycle crossing locations and gateways into the main street portion of the street. Three locations are recommended: 6th Ave, 9th Ave and 21st Ave. The 6th and 9th Ave locations provide enhanced crossings where traffic speeds volumes are the highest and distances to signalized crossings are the greatest. The 6th and 21st Ave. locations allow for safe movement between the two legs of the Spokane/Umatilla bicycle boulevard for bicyclists. Complimenting the refuges are series of curb extensions. Curb extensions are recommended at all bus stops and several additional corners.

*ODOT allows City of Portland to submit two projects.

Oregon City: Washington Street (12th Street to 16th Street) Bike Improvements

Project Description:

- Restriping four lanes to three to include 5-foot bike lanes within existing curb-to-curb width.
- Signal modifications needed at 14th and 15th Streets to accommodate changes in lane configuration.

- Intersection and sidewalk improvements at 12th and Washington (ADA improvements and bumpouts to improve site distance).
- Pavement repairs (all work within travel lanes to be city-funded)
- Misc. utility improvements (all to be city-funded)

Total Project Cost Estimate: \$400,000

GRANT REQUEST: \$125,000

Tigard: Center Street Sidewalk (Lincoln Street to Greenburg Road)

Center Street serves as an access to a commercial district bounded by Pacific Highway 99 and Greenburg Road. It is 20 feet wide with the north side fronted by residential properties. The south side is bounded by commercial businesses and a public park. Center Street has no curbs. The alignment is straight but curves towards Lincoln Street to west. It slopes in a downgrade to the west. Pedestrians from the neighborhood in Lincoln Street use Center Street as a route to the Safeway grocery store at the nearby shopping center. Center Street also serves as an access to the small public park at its southwest end. In addition to the above uses, passengers alighting from the Tri-Met Bus station on Greenburg Road use Center Street to walk home. Pedestrians dangerously share Center Street with motorist when accessing most of the commercial and public facilities in the surrounding vicinity.

A 5-foot sidewalk is proposed on the south side of Center Street. This will stretch from the curb return at Greenburg Road to join an existing pathway at the southwest end of Center Street. To install the sidewalk, Center Street will have to be extended on the south side. The length of the sidewalk will be approximately 1,410 feet between Greenburg and Lincoln. The existing drainage conditions will have to be modified to accommodate the sidewalk.

Wood Village: Arata Road (238th and the Wood Village Town Center) Pedestrian and Bicycle Improvements

Currently, children and other bicyclists and pedestrians traveling along Arata Road have only a dirt shoulder or the vehicle travel lanes for their use. Grant funding will help provide pedestrian and bicycle facilities.

M E M O R A N D U M

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METRO

DATE: July 31, 2002

TO: JPACT and Interested Parties

FROM: Andy Cotugno, Planning Director

SUBJECT: ODOT Pedestrian and Bicycle Grant Applications for JPACT Endorsement

The ODOT Bicycle and Pedestrian Program has limited funding available (about \$2 million statewide) for pedestrian and bicycle projects. Eligible projects include sidewalk in-fill, ADA upgrades, pedestrian crossings, intersection improvements, and minor roadway widening for bikeways. The maximum ODOT Bicycle and Pedestrian Program grant amount available per project is \$200,000.

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1. At TPAC on July 26, 2002, Metro and ODOT staff presented a recommended list of bicycle and pedestrian projects to be forwarded to JPACT for endorsement on August 8, 2002. TPAC approved the process and the project list, which included fourteen project descriptions.
2. Ten additional projects (from Milwaukie and Tigard) were submitted for Metro and ODOT staff review during the time period following the July TPAC meeting and preceding the August JPACT meeting. The endorsement process allows for additional projects to be added to the list, and for a jurisdiction to substitute a project prior to the JPACT endorsement. Metro and ODOT staff recommend JPACT endorsement of the two additional projects from Milwaukie and Tigard.
3. The JPACT endorsement of bicycle and pedestrian projects will be forwarded to ODOT Bicycle and Pedestrian Program staff in Salem following the August 8, 2002 JPACT meeting.

4. Individual project applications from cities and counties must reach Michael Ronkin, the ODOT Bicycle/Pedestrian Program Manager, by August 30, 2002.

The attached list proposed for endorsement by JPACT includes sixteen project proposals submitted by fifteen jurisdictions. The City of Portland is allowed to submit two proposals. The proposals were screened for eligibility for ODOT's grant program, and TPAC recommends that all of the projects submitted to ODOT for consideration. This endorsement is simply an assessment of the project eligibility and JPACT's support that they be considered for funding. It is not a statement of priority among the project applications. ODOT will select projects for funding from among the applications.

Eligible projects include sidewalk in-fill, ADA upgrades, pedestrian crossings, intersection improvements, and minor roadway widening for bikeways. The maximum ODOT Bicycle and Pedestrian Program grant amount available per project is \$200,000. The projects are listed below by jurisdiction, and are described in more detail in the following pages.

Project List by Jurisdiction

- Beaverton: 155th Avenue Bicycle and Pedestrian Improvements
- Clackamas County: Park Avenue (Hwy. 99E to River Road) Bike Lanes
- Forest Grove: Town Center Pedestrian Improvements
- Gresham: Norman Street Sidewalk Improvement
- Happy Valley: SE Callahan and SE 132nd Sidewalks and Bike Lanes
- Hillsboro: SE Cypress Street/SE 32nd Ave. Bicycle and Pedestrian Enhancements
- Lake Oswego: Country Club Road (Boones Ferry Rd. to Lake Oswego High School/Jr. High
- Milwaukie: 42nd Avenue Sidewalk Improvements (Johnson Creek Boulevard to Olsen Street)
- Multnomah County: Stark Street (190th to 223rd) Pedestrian Improvements
- Portland: Esplanade Bike Signal
- Portland: Tacoma Main Street Plan, Phase II Improvements
- Oregon City: Washington Street (12th Street to 16th Street) Bike Improvements
- Tigard: Center Street Sidewalk (Lincoln Street to Greenburg Road)
- Washington County: River Road (Rood Bridge Road to Witch Hazel Road) Bikeway
- West Linn: Willamette Drive (vicinity of Pimlico Drive) Pedestrian Improvements
- Wood Village: Arata Road (Wood Village Town Center to NE 238th Ave.) Pedestrian and Bicycle Improvements

AC/bb

Attachment: Metro Area Bicycle and Pedestrian Projects Submitted for JPACT endorsement to Meet ODOT Grant Requirements

METRO AREA BICYCLE AND PEDESTRIAN PROJECTS SUBMITTED FOR JPACT ENDORSEMENT TO MEET ODOT GRANT REQUIREMENTS

Beaverton: 155th Avenue (Middleton Court to Rigert Road at Sexton Elementary School) Bicycle Lanes and Sidewalks

The project extends from the existing bike lanes and sidewalks at Sexton Mountain Elementary School north to the Hart Road multi-modal improvement project terminus at Middleton Court, which will soon be under construction. 155th Avenue currently has two travel lanes with narrow shoulders. The proposed project fills a gap in the bicycle and pedestrian circulation systems in this location. The project removes a deterrent to schoolchildren walking and bicycling to and from Sexton Mountain Elementary School. It also provides bicycle and walking access to recreation facilities in the immediate area and to Tri-Met bus route #88 on Hart Road, which serves the Beaverton Transit Center and MAX light rail station. The project has high use potential and is designed to a high standard. The Beaverton BIKE Task Force supports the project, which is identified in the adopted Transportation Element of the Comprehensive Plan.

Clackamas County: Park Ave. (99E to River Road) Bike Lanes

Construct 6 foot bike lanes along both sides of Park Ave. The length of this segment is 2,200 feet. We would widen the road by 8 feet on each side for a total of 36 feet overall. Each end of Park Avenue is within a half mile of the North Oak Grove Elementary School, via existing bike lanes on River Road or via the Old Portland Trolley Tracks now owned by Metro. Park Ave. bike lanes would connect with River Road on the west and the Trolley line (future park path) on the east. Hwy 99E is also within 100 feet of the trolley line. Oatfield bike lanes are just 800 feet away to the east also. Tri Met bus lines travel on River Road and Hwy 99E. Park Ave. improvements would allow residents access to either bus line. The Senior citizens center and apartment residences at the west end of Park Ave. and River Road would gain access to the old Trolley line and the commercial area of 99E (7-11 store @ Park and Hwy 99E). Approximate Cost for design, engineering and construction: \$250,500

Forest Grove: Town Center Pedestrian Improvements

This proposal will add or replace sidewalks along the Town Center couplet (Pacific Avenue and 19th Avenue) and enhance the safety and visual appeal of the pedestrian environment. The project implements local and Metro plans for the Town Center and is listed as a "financially constrained" project in the 2000 Metro Regional Transportation Plan. Currently no funding is available for these improvements. The couplet has deteriorated significantly due to decades of use as a State Highway that carried heavy truck traffic. Responsibility for maintenance of a portion of this roadway has been transferred from the State to the City. The City will use its limited resources to repave as much of the couplet as possible. Due to the limited nature of these funding sources, sidewalk improvements are not included. Amount: \$200,000

Gresham: Norman Street Sidewalk Improvement

City of Gresham is requesting \$100,000 to build sidewalk on two blocks of Norman Street; a local street connecting an established residential neighborhood to the new Gresham Station transit oriented development and City Hall Transit Center. This project will complete the sidewalk corridor creating a safe and pedestrian friendly neighborhood.

Happy Valley: SE Callahan and SE 132nd Sidewalks and Bike Lanes

The proposed project would provide sidewalks and bikeways on two streets that would form a perimeter surrounding Happy Valley Park and Happy Valley Elementary School. The two streets concerned are SE Callahan and SE 132nd. This project will complete a system and provide access to the park, the school, and an adjacent trail system in the wetland park. Also, the sidewalk access will provide a better connection to the Tri Met bus stops on those streets. This project is within the existing right of way.

Hillsboro: SE Cypress Street/SE 32nd Avenue Bicycle & Pedestrian Enhancements

Restripe and sign existing roadway from E. Main Street to SE 21st Avenue to allow for continuous bike lanes on both sides of the road. Signalized pedestrian crossings over SE Cypress Street and SE 32nd Avenue would be installed at SE 28th Avenue and SE Cedar Street. The pedestrian crossings would include in-road flashers, pavement crossing treatments and overhead infrared detectors.

Lake Oswego: Country Club Road (Boones Ferry Road to Lake Oswego High School/Junior High) 1,870 lineal foot section of sidewalk with curbs.

Country Club Road's Critical characteristics include: ADT=23,000 VPD, posted speed of 40 MPH, and classification as a Major Arterial on the city of Lake Oswego's TSP. Boones Ferry Road's critical characteristics include: ADT=25,000 VPD, posted speed of 40 MPH. It is classified as a Major Arterial on the City of Lake Oswego's TSP. Both facilities carry the bulk of the truck traffic through the City of Lake Oswego.

The missing portion of sidewalk will fill-in a gap between two existing sections of sidewalk and should help to encourage pedestrian use of the adjacent sidewalks. The missing section is along developed or parks property that has very little potential for development in the near future. The sidewalk would close a critical gap for pedestrian movements along both Country Club and Boones Ferry Road. South on Boones Ferry Road is a town center and east on Country Club/Avenue is another of the City's town centers. Most significantly, the connection services the Lake Oswego High School, Lake Oswego Junior High, Uplands Elementary School, Springbrook Park and Our Saviors Lutheran Church. The sidewalk will provide a critical connection for school age pedestrians and the surrounding neighborhoods and should service a great number of pedestrians that are uncomfortable using the existing shoulder. The sidewalk will provide a safe environment for pedestrians, and aid in the function and safety of bicycle and vehicular travel lanes along both facilities. The Lake Oswego High School remodel, which has been recently started, will provide sidewalks on the north side of Country Club Road. Estimated Cost: \$141,000 includes engineering.

Milwaukie: 42nd Avenue Sidewalk Improvements (Johnson Creek Boulevard to Olsen Street)

Currently, there are no walkways on the section of 42nd Avenue from Johnson Creek Boulevard to Olsen Street, so children, transit users, and local residents must walk on or alongside the narrow 20-foot wide roadway. 42nd Avenue is classified as a collector that connects the Ardenwald and Lewelling neighborhoods with Johnson Creek Boulevard to the north and routes traffic towards King Road and the Hector Campbell neighborhood to the south. This project will provide a safe walking route for local residents and children attending Ardenwald Elementary School, brings connectivity to existing sidewalks at Roswell Street, Olsen Street and Johnson Creek Boulevard, and links residents to transit routes, neighborhood parks and commercial shopping centers. This project would construct approximately 3,800 lineal feet of curb and sidewalk and approximately 650 lineal feet of 12-inch storm main. 42nd Avenue is a key pedestrian route identified in the City's adopted Transportation

System Plan and this project is currently in the City's Capital Improvement Plan for 2003-2007.
Project Cost Estimate: \$330,000
City Match: \$130,000
Grant Request: \$200,000

Multnomah County: Stark Street (190th and 223rd Ave.) Pedestrian Crossing Improvements

The County will apply for one grant to provide improvements at three existing crosswalks on Stark Street between 190th Avenue and 223rd Avenue. Stark Street is a busy five lane arterial. Improvements will provide pedestrian islands and signing and striping improvements to provide refuges for pedestrians and improve visibility for motor vehicle drivers.

***Portland: Esplanade Bicycle Signal**

This project will make use of existing signal conduit to create a bicycle-pedestrian only signal phase for northbound cyclists exiting the Eastbank Esplanade off-street path and rejoining the roadway at the intersection of NE Interstate Avenue and NE Oregon Street (east end of the Steel Bridge). The problem addressed is that northbound cyclists exiting the pathway must execute a two-phase movement to properly align themselves to continue on the northbound bike lane on Interstate Avenue. This project will also benefit eastbound cyclists who must currently cross a right-turn lane with high volumes of fast-moving right-turning vehicles. This design is similar to one recently implemented at the intersection of the Broadway Bridge with the Lovejoy Ramp in NW Portland, and, like that project, will meet bicycle signal head warrants developed by the State of California. Part of the project will also call for evaluating the effectiveness of this treatment.

***Portland: Tacoma Main Street Plan, Phase II Improvements**

Phase II improvements build off of work completed in Phase I (to be constructed in August '02). Phase I of the plan re-stripes Tacoma St and changes parking regulations, in part to create the space necessary to construct the crossing improvements recommended in Phase II.

The major elements of Phase II are a series of landscaped median refuges that function as enhanced pedestrian/bicycle crossing locations and gateways into the main street portion of the street. Three locations are recommended: 6th Ave, 9th Ave and 21st Ave. The 6th and 9th Ave locations provide enhanced crossings where traffic speeds volumes are the highest and distances to signalized crossings are the greatest. The 6th and 21st Ave. locations allow for safe movement between the two legs of the Spokane/Umatilla bicycle boulevard for bicyclists. Complimenting the refuges are series of curb extensions. Curb extensions are recommended at all bus stops and several additional corners.

*ODOT allows City of Portland to submit two projects.

Oregon City: Washington Street (12th Street to 16th Street) Bike Improvements

Project Description:

- Restriping four lanes to three to include 5-foot bike lanes within existing curb-to-curb width.
- Signal modifications needed at 14th and 15th Streets to accommodate changes in lane configuration.
- Intersection and sidewalk improvements at 12th and Washington (ADA improvements and bumpouts to improve site distance).

- Pavement repairs (all work within travel lanes to be city-funded)
- Misc. utility improvements (all to be city-funded)

Total Project Cost Estimate: \$400,000
GRANT REQUEST: \$125,000

Tigard: Center Street Sidewalk (Lincoln Street to Greenburg Road)

Center Street serves as an access to a commercial district bounded by Pacific Highway 99 and Greenburg Road. It is 20 feet wide with the north side fronted by residential properties. The south side is bounded by commercial businesses and a public park. Center Street has no curbs. The alignment is straight but curves towards Lincoln Street to west. It slopes in a downgrade to the west. Pedestrians from the neighborhood in Lincoln Street use Center Street as a route to the Safeway grocery store at the nearby shopping center. Center Street also serves as an access to the small public park at its southwest end. In addition to the above uses, passengers alighting from the Tri-Met Bus station on Greenburg Road use Center Street to walk home. Pedestrians dangerously share Center Street with motorist when accessing most of the commercial and public facilities in the surrounding vicinity.

A 5-foot sidewalk is proposed on the south side of Center Street. This will stretch from the curb return at Greenburg Road to join an existing pathway at the southwest end of Center Street. To install the sidewalk, Center Street will have to be extended on the south side. The length of the sidewalk will be approximately 1,410 feet between Greenburg and Lincoln. The existing drainage conditions will have to be modified to accommodate the sidewalk.

Washington County: River Road (Rood Bridge Road to Witch Hazel Road) Bikeway Improvement

The proposed project would add 5-foot paved shoulders to both sides of River Road for a distance of approximately 1,600 feet, between Rood Bridge Road and Witch Hazel Road, filling in the remaining gap in the existing River Road bikeway between Hillsboro and Scholls Ferry Road. As described above, where the road crosses Rock Creek, 6-foot wide combined walkways/bikeways would be cantilevered off of both sides of the existing bridge. Adequate right-of-way exists along the project length.

Currently, there are bike lanes on River Road just south of its intersection with Witch Hazel Road that continue all the way to Scholls Ferry Road. Additionally, north of Rood Bridge Road, River Road is signed as a Bicycle Route with combined pedestrian/bicycle facilities on both sides of the road. The road is a designated bikeway on both the City of Hillsboro's adopted Transportation System Plan and the County's Transportation Plan. The proposed project would fill in the gap on the River Road bikeway, increasing its connectivity and improving safety. At present, the section of River Road where the gap exists is signed with a 'Bicycles on Roadway' advisory sign south of the existing bike lane's terminus at Rood Bridge Road. Project cost estimates are still being developed by the County and are expected to be available by early August 2002.

West Linn: Willamette Drive (Vicinity of Pimlico Drive) Pedestrian Improvements

Add sidewalk on Willamette Drive (State Highway 43) from Pimlico Drive approximately 700 feet southerly to 20865 Willamette Drive, where there is an existing sidewalk. Since there is no sidewalk on the east side of Willamette Drive in this location, the new sidewalk would provide a pedestrian facility where none now exists. The cost would be approximately \$50,000, since some retaining wall to accommodate the sidewalk would be necessary.

Wood Village: Arata Road (238th and the Wood Village Town Center) Pedestrian and Bicycle Improvements

Currently, children and other bicyclists and pedestrians traveling along Arata Road have only a dirt shoulder or the vehicle travel lanes for their use. Grant funding will help provide pedestrian and bicycle facilities.

The Proposed Oregon Air Toxics Program

What are Air Toxics?

Air toxics are defined as air pollutants known or suspected to cause serious health problems, including cancer, birth defects, lung and nerve damage. U.S. Environmental Protection Agency (EPA) analyses show that air emissions of toxic chemicals pose significant threats to public health. In a recent study, the EPA has estimated that there are sixteen toxic air pollutants in Oregon's air at concentrations above generally acceptable health risk levels. Six of the pollutants exceed these levels more than ten times.

The highest risks from air toxics are estimated to occur in urban areas where the combined emissions from mobile sources, such as cars, and small area-wide sources, such as gas stations and home heating with wood, are greatest. However, residents in rural areas are also exposed to elevated levels of air toxics from various forms of burning.



Burning household waste.

Why is DEQ proposing a new air toxics program?

Since the 1990 Clean Air Act Amendments, the EPA has adopted a number of regulations primarily aimed at reducing releases from various large industrial sources. The Department has implemented these federal technology-based emission regulations within Oregon. While effective, these emission reductions address only part of the air toxics problem. After more than ten years, much remains to be done to reduce the harmful health effects of toxic air pollution. After analyzing the areas not addressed by the federal air toxics program, the Department is most concerned about its inability to

scientifically assess air toxics problems, reduce potentially high pollutant levels in urban areas or hot spots, and resolve known health risks from air toxics statewide.



Urban area with many sources of air toxics

How was the proposed air toxics program developed?

The Department worked with representatives from the public, business and government for four years to develop the proposed air toxics rules. The program proposes an innovative approach to reduce Oregonian's exposure to air toxics through community-based planning.

How would the proposed air toxics program work?

1. Good Science

Enhancements to DEQ's air toxics emission inventory, monitoring and modeling activities will allow the Department to understand pollutants, areas and sources of most concern. An Air Toxics Scientific Advisory Committee will help DEQ develop health-based concentrations of concern, or benchmarks.

2. Geographic Program

The draft rules establish a framework for identifying high risk geographic areas, and developing and implementing emission reduction plans. The draft rules set a general risk reduction goal for geographic areas. To the extent feasible, local emission reduction plans are to reduce individual pollutants to levels at or below benchmark levels within ten years after plan approval.



State of Oregon
Department of
Environmental
Quality

Air Quality Division
811 SW 6th Avenue
Portland, OR 97204
Phone: (503) 229-5696
(800) 452-4011
Fax: (503) 229-5850
Contact: Sarah Armitage
www.deq.state.or.us

Once areas of concern are established, air toxics reduction plans will be developed, starting with the highest risk areas. In developing a plan, each community will evaluate the impacts of multiple sources of air toxics and recommend strategies to reduce emissions. This approach will allow the community to target the sources of emission reductions relative to their contributions. The Department will review progress in achieving local air toxics reduction goals every three years, based on monitoring, modeling and emission inventory data.

This new geographic approach will help people understand the factors that affect the quality of the air, and their own role in protecting it. This approach will give citizens the tools they need to decide how they want to reduce air toxics.

3. Source Category Strategies

The draft rules also provide criteria to help the Department identify categories of similar sources emitting air toxics at levels of concern. Once these categories are identified, the Department will develop voluntary or mandatory strategies to reduce emissions.

4. Safety Net Program

The draft rules allow the Department to identify and reduce emissions in rare cases where individual industrial sources emit air toxics that are otherwise not addressed by the program but have the potential to cause harm to public health.

How do the proposed rules fit in with federal requirements?

EPA's Urban Air Toxics Program sets up a framework for states to assess local information and to identify urban areas that need to reduce air toxics emissions. This framework includes development and implementation of air toxics risk reduction strategies, an opportunity for public participation and review, and tools to evaluate whether emissions have been reduced. Currently, the proposed Air Toxics Rules satisfy upcoming Urban Air Toxics Program elements.

For more information please contact:

*Sarah Armitage, Air Quality Division
(503) 229-6840*

The draft rules are available on DEQ's Web site at: <http://www.deq.state.or.us/eq/HAP/index.htm>

Alternative Formats

Alternative formats of this document can be made available. Contact DEQ Public Affairs for more information (503) 229-5696.

STATE OF OREGON

INTEROFFICE MEMO

Department of Transportation Planning Section

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File Code: PLA

Date: July 28, 2002

TO: STIP Process Stakeholder Committee

CC: ODOT Area Managers
ODOT Region Managers

FROM: Craig Greenleaf, Deputy Director
Transportation Development Division

SUBJECT: Draft Guidelines for
Formation and Operation of
Area Commissions on Transportation

The information below is a reflection of direction and issues raised at the June 26th meeting. At that meeting, committee members agreed to provide their constituents with a copy of the attached draft ACT guidelines. The purpose of this outreach is to solicit feedback regarding the document, and specifically the roles of the ACT, in advance of your next meeting scheduled for August 7. As you will remember, this meeting is being held far enough in advance of the September OTC workshop so that your input/advice/questions can be discussed by the OTC. Staff has also attempted to list the various issues and questions that were raised during your discussion to assist in discussion with your constituents. This memo is being copied to the Area Managers and Region Managers so they can work with the other ACTs not represented, in soliciting comments.

ODOT staff developed the attached draft document (Attachment 1) to assist the committee in its effort to update the ACT guidelines. The attached draft reflects the two edits that were made at the meeting. The draft takes into account the stakeholder committee recommendations that were developed during the first phase of the STIP Process Stakeholder Committee work; the OTC endorsed these recommendations at its October 2001 meeting (Attachment 2). It also includes materials from the existing approved ACT guidelines, charters and operating guidelines for current ACTs, and input from an internal working committee. The internal working committee included staff that support ACTs (urban and rural), representation from ODOT region planning managers, ODOT's public involvement person, and staff supporting the STIP Process Stakeholder Committee. The internal working committee tried to blend the information from all these sources to develop a first draft for committee review and recommendation on next steps.

In your discussion of process, there was recognition that it would be helpful to have a full list of issues surrounding the ACT guidelines for discussion. The information that you receive from your constituents will assist in the committee discussion and help to shape the discussion for the Commission at their workshop. Staff has attempted to list the various issues/questions that were raised during your meeting.

- What is ODOT's role(s) in ACTs?
 - Area level
 - Regional level
 - State level
- ODOT Region/ACT dynamics – what should be addressed?
 - Prioritization
 - Dispute resolution
 - Integration of decision making
- What level of Coordination is needed?
 - MPO/ACT relationships
 - ACT/ACT relationships
 - Other relationships (e.g., Transit, Freight, etc.)
- What is the ACT mission and purpose?
- What responsibilities should they have?

STIP committee members should use this review as the vehicle to identify other major issues with the proposed draft ACT guidance. As you work with your constituents the focus is on characterizing the issues and to avoid word-smithing the document. Ample opportunities to fine-tune the document will be provided over the months to come. Other questions you may want to consider when working with your constituents include:

- Should the guidelines be more specific?
- How will compliance with the guidelines be assessed?
- Should there be 100% coverage by ACTs around the state?
- Public outreach—how have you coordinated with other ACTs? What worked?
- Are there areas that should be covered in other documents?
- Are there areas that should be added to this document?

The following is the timeline that was established in order to facilitate the ACT discussion at the Commission meeting on September 18th. We are asking for a quick turnaround so that your issues may play a role in the OTC discussion. To do so, the following deadlines must be met:

- **July 2, 2002**—ODOT sends this electronic memo with attachments to the STIP Process Stakeholder Committee members and ODOT Area Managers.
- **July 29, 2002**—Stakeholder and ACT comments regarding major issues are electronically returned to ODOT for incorporation into a summary document. The responses will be used as a basis for discussion at the August 7 meeting of the STIP Process Stakeholder Committee.
- **August 2, 2002**—ODOT sends out electronic materials to committee members for the August 7 meeting.
- **August 7, 2002**—STIP Process Stakeholder Committee meeting, 8:30 a.m.- 2:00 p.m. at the Local Government Building in Salem.
- **September 4, 2002**—Staff deadline to submit materials for inclusion in the September OTC workshop packets.
- **September 18, 2002**—Oregon Transportation Commission annual workshop, including discussion of the ACT guidelines. No decisions will be made at this meeting regarding the ACT guidelines.
- **September 26, 2002** – Next meeting of the STIP Stakeholder Committee

To give you a statewide perspective of the geographic coverage of the ACTs, please see the attached map (Attachment 3).

If you have any difficulty opening the attached documents, please call Jerri Bohard at (503) 986-4165 or Linda Willnow at (503) 986-4168. Electronic comments should be submitted to Linda Willnow at: linda.j.willnow@odot.state.or.us by close of business on July 29, 2002.

Attachments:

1. Draft guidelines
2. Committee recommendations related to ACTs
3. ACT map
4. Current guidelines
5. Committee recommendations--entire document

C: Stuart Foster
Patrick Cooney
Matthew Garrett
Paul De Morgan

AREA COMMISSIONS ON TRANSPORTATION (ACTs)

I. BACKGROUND

Local jurisdictions and other stakeholders have asked for more opportunity to participate in the early stages of transportation project selection and development. Because of this, in 1996, the Oregon Transportation Initiative (OTI) was developed which set the stage for more effective and timely citizen and local government participation in ODOT's decision-making process. As a means of implementing the OTI, the Oregon Transportation Commission created regionally based transportation advisory commissions known as "area commissions on transportation" (ACTs). ACTs expand the opportunity for involvement in ODOT project selection and development decision-making.

On May 18, 1999, the Oregon Transportation Commission (OTC) adopted *Guidelines for the Establishment of Area Commissions on Transportation* to provide answers to common questions about the purpose, formation and function of area commissions and to encourage a reasonable degree of consistency statewide in their role and operation. On May 11, 2000, the OTC amended the Guidelines to give ODOT senior management responsibility for ACT oversight and coordination, and to include representatives of public interest advocacy groups in ACT membership.

At its December 2000 meeting, the OTC established a committee representing 17 stakeholder organizations to assist in the identification of issues and to provide recommendations in regard to the Statewide Transportation Improvement Program (STIP) process. A number of the committee's September 28, 2001 recommendations to the OTC focus on the need to reexamine the ACT guidelines and to provide better guidance related to the roles and responsibilities of the ACTs.

The following *Guidelines for Formation and Operation of ACTs* incorporate the work and recommendations of the STIP Process Stakeholder Committee. The guidelines strive to provide statewide consistency for the ACTs while balancing local needs for flexibility and uniqueness. Each ACT will adopt Operating Agreements to further define its operating procedures. Areas addressed in these guidelines are:

- Purpose
- Authority
- Mission
- ACT Structure and Membership Guidelines
- Operations of the ACT
- Programs and Processes the ACTs Act Upon
- Coordination with Others
- How an ACT is Established

---DRAFT---

Each ACT will provide an annual report to the OTC, providing an opportunity for the Commission to review the ACT charter, operating agreements and proposed work program. If modifications are required to comply with new or updated OTC direction (e.g., revising processes to conform to the new ACT guidelines), changes will be incorporated at that time.

ODOT shall assign one staff member as the Area Manager for each ACT. The Area manager shall act as the liaison between the ACT and ODOT and shall be responsible for providing information to the ACT on ODOT policies and procedures.

GUIDELINES FOR FORMATION AND OPERATION OF AREA COMMISSIONS ON TRANSPORTATION

II. PURPOSE

The Area Commissions on Transportation (ACTs) were established by the Oregon Transportation Commission (OTC) to improve communication and interaction between the Oregon Department of Transportation (ODOT), local officials, legislators and the business community. By increasing stakeholder commitment and understanding of transportation programs, funding and issues, the department anticipates achieving the following:

- Broaden opportunities for advising the OTC on policy issues
- Improve project decisions and coordination at the local level
- Increase stakeholder commitment to projects
- Reduce project costs
- Reduce time to project completion
- Better fulfill expectations for quality

III. AUTHORITY

The Area Transportation Commissions are advisory bodies chartered under authority of the Oregon Transportation Commission. The OTC retains oversight and final decision-making authority to assure efficient management of the State transportation system. ACTs are expected to address all aspects of transportation (surface, marine, air, and transportation safety) with primary focus on the state transportation system. They will also consider regional and local transportation issues if they affect the state system. Multi-ACT collaboration may be requested to facilitate broader consideration of regional issues.

ACT recommendations shall be based on state and local transportation plans and policies, such as:

- Oregon Transportation Plan and supporting mode plans (e.g., Oregon Highway Plan and Oregon Public Transportation Plan)
- State corridor and facility plans
- Transportation Planning Rule
- Transportation system plans
- Federal transportation planning regulations
- Local government plans and/or regulations
- Project selection criteria and prioritization factors, including Oregon Transportation Management System data
- State Agency Coordination Program

Recommendations to the Oregon Transportation Commission will be made in accordance with the approved STIP Development Timeline. In making recommendations to the OTC, the ACT shall apply both regional and statewide perspective to its considerations. The ACT shall function as an advisory body.

IV. MISSION

The mission of the ACTs is to provide a forum for the discussion and coordination of current and future transportation issues that affect a community's economic development, environment, housing, sustainability, and transportation system. An ACT plays a key advisory role in the development of the Statewide Transportation Improvement Program (STIP). The ACTs shall recommend priorities for state transportation infrastructure and capital investments based on state and local transportation plans related to the Area. At a minimum, ACTs should perform the following:

- Establish a public process for area project selection priorities for the STIP.
- Provide recommendations to the OTC regarding program funding allocations for the Statewide Transportation Improvement Program (STIP).
- Develop recommendations to ODOT regions regarding regional STIP funding allocations.
- Prioritize Modernization projects for the STIP.
- Make recommendations to ODOT regarding special funding opportunities and programs.
- Share issues with other organizations, including the following:
 - Other ODOT Regions
 - Metropolitan Planning Organizations (MPOs)
 - Community Solutions Teams (CSTs) and Regional Partnerships
 - ODOT advisory committees
 - Legislators
 - Business and special interest organizations
- Advise the OTC on state and regional policies affecting the Area's transportation system.
- Provide a forum to advance the public's awareness and understanding of transportation issues, alternatives for solutions and outcomes of decisions.

Through their Operating Agreements, ACTs may choose to do work beyond the minimum expectations and may also provide advice on activities such as:

- Development and implementation of projects for other funding types including Preservation, Safety, Bridge, Operations, Transit, Bicycle/Pedestrian, Federal Lands Highways, Fish Culverts and others.
- Prioritization of planning projects.

- Establishment and monitoring of benchmarks for regional transportation improvements.

V. ACT STRUCTURE AND MEMBERSHIP GUIDELINES

A. Geographic Coverage

In response to stakeholder interests, the OTC is expanding the roles and responsibilities of the Area Commissions on Transportation. Because the ACTs (and, where applicable, the MPOs) are primary advisors to the OTC with regard to all transportation policies and programs which effect them, the OTC strongly encourages coverage of the State with respect to ACT or MPO representation.

The term “area” refers to a geographic place that is as much as possible located within one of ODOT’s five administrative regions. An area may include the entire ODOT region, but more likely will be a county or grouping of counties within or mostly within a single ODOT region. The OTC recognizes that there is strength in member familiarity with regional issues, and thus, expects that an ACT will not encompass an area that is too large geographically to adequately represent all it’s interests, but will encompass an area that has a logical sphere of interest which might include a similarity of population, economy, land use, infrastructure needs, contiguous boundaries, political and programmatic interests, and collaborative opportunities. Geographical boundaries of an ACT or MPO may change over time and should this occur, an amendment to the boundaries should be negotiated and agreed upon by the affected parties, and a formal request for change be submitted in writing to the OTC for approval. Each ACT will develop an Operating Agreement and this Agreement will articulate their rationale for their specific boundaries.

B. Membership

It is expected that an ACT will have a voting membership, which is reflective of its population and interest groups, and be broadly representative. ACT membership should include the jurisdictions, interest groups and community organizations important to creating consensus within the area on transportation issues and priorities. Members should be carefully selected so that transportation recommendations are coordinated with other local and regional community development activities. At a minimum, the OTC will require ACT representation to include at least 50% elected officials from the area. Representation shall be designed to include Tribal Governments, City, County, MPO and Port officials. The remainder of the representation shall be from stakeholder groups (i.e., freight, bike, transit public interest advocacy groups environmental, land use, business, non-profit, etc.). ODOT is a voting member of an ACT.

In addition to the voting membership, it is assumed that each ACT will include appropriate Ex-officio members such as the Oregon Transportation Commissioners, legislators, members of their Community Solutions Team, representatives from pertinent governmental agencies such as US Forest Service, BLM, Fish and Wildlife, Department of Aviation, local Congressional aides,

representatives of each city and county road district or department, and other representatives of regional groups that have an interest in transportation issues such as housing advocates, Workforce Investment Boards, law enforcement agencies, etc. Adjoining area commissions should be included on all mailing lists and be invited to attend all ACT meetings. As an ACT experiences membership turnover, representation should be reviewed to ensure continued balance of all groups the committee represents.

VI. OPERATIONS OF THE ACT

A. ACT Operating Agreements

ACT operating agreements are intended to clarify the roles and processes between members, agencies, ODOT and the OTC. They are intended to specify how members will be selected and define membership beyond that required in the guidelines. Operating agreements should provide for a wide solicitation for non-elected membership, and specify the solicitation process used. In addition, Operating Agreements should specify when, where and how meetings will be conducted, officers and terms of office, whether or not alternates will be allowed, the public involvement processes which the ACT will use, number of members required to constitute a quorum, decision making process (for example, consensus or majority vote), steering committee authority and whether Technical Advisory Committees will be used and how they will be constituted. The Operating Agreements will clarify that ACTs are advisory bodies that make recommendations to the Oregon Transportation Commission.

B. Relationship of the ACTs to ODOT Management

ODOT is a voting member of an ACT.

C. Staffing and Financial Support

To be successful, an ACT must be staffed either by ODOT or an organization with which ODOT could contract administrative services. The ACT and ODOT will jointly agree on how the ACT will be staffed. In an amount to be determined by the ODOT Region Manager, ODOT will provide planning staff assistance to the ACT and financial support for administration of the area commission.

D. Public Involvement

The Public Involvement section of these guidelines provides a higher level of specificity than other portions of the document. The goal is to achieve statewide consistency through an open, understandable process that meets state and federal public involvement policies, while continuing to recognize the regional differences in project priorities.

The ACT public involvement process shall seek out and consider the needs of those traditionally underserved by existing transportation systems, such as low income and minority households. Title VI is a part of the Civil Rights Act of 1964. It ensures that no one is excluded from participation in, denied the benefits of, or subjected to discrimination under any program or activity receiving federal financial assistance on the basis of race, color, national origin, age, sex, disability or religion. In 1994, President Clinton issued the Executive Order on Environmental

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Justice which requires identification of high and adverse human health or environmental effects of programs, policies and activities on minority and low-income populations. Environmental Justice is achieved within the framework of existing laws, especially Title VI. The ACTs must follow all relevant federal requirements for public involvement, including Title VI and Environmental Justice requirements, and all applicable ODOT policies.

For ACTs to fulfill their advisory role in prioritizing transportation problems and solutions and recommending projects, the ACTs need to involve the public and stakeholders in their decision-making processes. As the ACTs consider local, regional and statewide transportation issues, it is important that they use the appropriate level of public involvement and/or public information. To comply with federal Environmental Justice requirements, the public involvement process needs to identify a strategy for engaging minority and low income populations in transportation decision-making.

The minimum and preferred public involvement/information standards are shown below for many of the ACT procedures and operations.

1. Meeting Notification--Timely notice of ACT meetings allows for broader participation by the general public and stakeholder groups.

The *minimum standard* for meeting notification is two (2) weeks for all ACT or ACT sponsored meetings. Notification should be made through the local media sources (newspaper, radio and TV) and by sending meeting notices to those on the ACT mailing list. In addition to the normal notification procedures, the minimum standard of notification when the ACT is conducting or sponsoring a special meeting (e.g. STIP or OTIA meetings), requires paid advertising in the ACT area. The ACTS must develop a mailing list of all special interest groups in their area.

The *preferred standard* for ACT meeting notification includes posting notices at local public institutions (city hall, libraries, community centers, etc.) and email updates. Posting meeting notices on the ACT website, along with links to meeting agendas and past meeting minutes, is also preferred. The ACT website also needs to be updated with information relevant to any special meeting including the meeting agenda and technical materials/supporting documentation.

2. Meeting Schedule--A regular meeting schedule increases the opportunities for public and stakeholder involvement through its reliability and predictability.

If regularly scheduled meetings are not possible, the *minimum* standard is to provide extra public notification for each meeting – follow the preferred method of meeting notification.

The *preferred* standard is to hold regularly scheduled ACT meetings (e.g., meeting at 1:00 p.m. on the last Thursday of each month).

3. Meeting Location--ACT meeting should be held in locations that are easily accessible by the general public, and contain adequate seating and facilities to encourage their attendance.

When selecting a location for the ACT meeting, the *minimum* standard is an Americans with Disabilities Act (ADA) accessible location. In establishing outreach activities for specific projects or topics, consider locations that would be frequented by that community.

The *preferred* standard would be a location that is easily accessible by public transportation.

4. Meeting Materials--For the public and stakeholders to truly participate, to give informed input in the decision-making process, they need access to technical materials and supporting documentation. Purely informational materials may be provided at the meeting.

The *minimum* standard for decision items is to distribute information at the ACT meeting.

The *preferred* standard for decision items is to provide technical materials and supporting documentation two weeks prior to the ACT meeting. These materials can be distributed through the ACT website and/or through the mail.

5. Agenda--When preparing the ACT meeting agenda, consideration needs to be given to the public and stakeholder groups that are interested in providing input or comments.

The *minimum* standard is to provide a time on each agenda for general public comment. Public comment may be taken at any time during the ACT meeting.

The *preferred* standard is to provide an advance agenda two weeks prior to the ACT meeting, either on the ACT website and/or through the mail. For action items, consider posting an electronic mailing address and encouraging public comment through this medium. Copies of all correspondence received prior to the meeting should be available for ACT members and the public at the meeting.

6. Meeting Minutes--Minutes shall be prepared for all ACT meetings, with decision items documented.

After each ACT meeting the *minimum* standard is to prepare and distribute the minutes two (2) weeks prior to the next ACT meeting. The previous meeting's minutes should also be available at the next meeting.

The *preferred* standard is to post minutes from the meeting on the ACT website.

The ACT public involvement process shall demonstrate explicit consideration and response to public input during the planning and program development process.

VII. PROGRAMS AND PROCESSES THE ACTS ACT UPON

ACTs typically will be requested to provide input to the OTC on issues of regional or statewide significance that potentially affect multiple jurisdictions within the ACT, including but not limited to:

- Key components of ODOT corridor plans or local Transportation System Plans (TSPs) that contain projects of regional significance (for example, a new highway bypass).
- Problem identification & preliminary prioritization of needs, particularly modernization needs.
- Project selection through the STIP or other special funding process.
- Proposed ODOT policies & their implementation (e.g., bypass policy, expressway designations, project selection criteria, etc.)
- Input into selection and prioritization of long-range plans (especially refinement plans) in the ODOT regional planning work programs.
- Programs lead by other groups, for example:
 - Elderly and disabled transportation
 - General public transit
 - Bicycle and pedestrian
 - Transportation Enhancement

ODOT has a number of standing committees that have a direct advisory relationship to the OTC and department managers. They advise on specialized programs such as transportation safety, bicycle and pedestrian, passenger rail and freight, public transit, scenic byways, motor carriers and local government relationships. Since ACTs are to address all aspects of transportation, ODOT staff will be responsible for keeping ACTs informed and seeking their comments on major policies and programs under consideration by the committees. An understanding of these programs will assist the ACTs in forming their recommendations to the OTC.

A. Basis for Decision Making

Recommendations made by the ACTs need to consider state, local and federal adopted plans, policies and procedures. Examples include, but are not limited to:

- Oregon Transportation Plan and supporting mode plans (e.g., Oregon Highway Plan and Oregon Public Transportation Plan)
- State corridor and facility plans
- Transportation Planning Rule
- Transportation system plans
- Federal transportation planning regulations
- Local government plans and/or regulations
- Project selection criteria and prioritization factors, including Oregon Transportation Management System data

- State Agency Coordination Program

ACTs may use additional criteria to select and rank projects provided the criteria are consistent with the criteria adopted by the OTC. If an ACT chooses to use additional criteria, they must inform those developing project proposals about the criteria. ACTs should apply both regional and statewide perspective to their considerations, refining recommendations after consultation with any adjacent metropolitan planning organization. All factors used as a basis for a recommendation to the OTC shall be documented and forwarded to the OTC with the recommendation. The OTC will provide feedback to the ACTs regarding decisions that were made based on the ACT recommendations.

ODOT has established special committees and processes to apply Oregon Transportation Management System information for the identification, prioritization and development of bridge replacement/rehabilitation and pavement preservation projects. The role of the ACT in regard to these projects shall be to review the recommended lists of projects and to provide information to ODOT regarding any special circumstances that may apply to the prioritized list.

Federal regulations require MPOs to select transportation projects within the MPO boundaries from a limited pool of projects identified in the financially constrained regional plan. ACTs may draw from a larger pool of projects found in local transportation system plans, which are not necessarily constrained. ACTs need to consider these differences when making recommendations to the OTC.

VIII. COORDINATION WITH OTHERS

Because of the fundamental importance placed on recommendations by the ACTs, coordination shall be a primary obligation and ACTs are expected to meet a high standard in this area. To ensure that recommendations have been reviewed for local, regional and statewide issues and perspectives, ACTs need to communicate with others that may have knowledge or interest in the area. Working with a broad representation of stakeholder groups should also help provide a balance between local/regional priorities and statewide priorities. As appropriate, ACTs should coordinate with the following groups:

- Other ACTs within and across ODOT Regions
- ODOT Advisory Committees
- Community Solutions Teams and Regional Partnerships
- Tribal Governments
- MPOs
- Local Governments and Port Districts
- Stakeholder groups (e.g., environmental, business)

It is recommended that the ACT develop a diagram or flowchart showing the numerous relationships within the ACT. The diagram should be available at each meeting of the ACT.

A. ACTs Within and Across ODOT Regions

ACTs will coordinate with other ACTs within the ODOT Region or across Regions, as needed for recommendations to the OTC that may have a regional impact. Adjacent ACTs shall be included on the ACT mailing lists and invited to all ACT meetings. The ACT should consider adjacent ACT representatives for inclusion as ex-officio members.

B. ODOT Advisory Committees

ACTs are responsible for keeping ODOT's specialized standing committees (e.g., freight, transit, scenic byways) informed and seeking their comment on major policies and programs under consideration. Representatives should be included on the ACT mailing lists and invited to all ACT meetings. The special committees have a mutual obligation to provide information to the ACTs regarding processes, technical data, and recommendations specific to the program area.

C. Community Solutions Teams and Regional Partnerships

Since 1995, five state agency directors, serving as the Governor's Community Solutions Team (CST), have been actively engaged in developing an integrated and collaborative approach to community development. The standing agencies of the CST include:

- Oregon Department of Transportation (ODOT)
- Oregon Housing and Community Services (OHCS)
- Oregon Economic and Community Development Department (OECDD)
- Department of Land Conservation and Development (DLCD)
- Department of Environmental Quality (DEQ).

Regional Partnerships are composed of two or more counties and the cities, ports, and tribes within those counties who agree to work together on inter-jurisdictional and regional issues. To increase coordination, Regional Partnerships work together with and share the same locally defined geographic boundaries as Regional Community Solutions Teams, ACTs and Regional Investment Boards.

Representatives of the Governor's Community Solutions Teams and Regional Partnerships may be able to provide information about livability issues or other local infrastructure projects that could influence the ACT recommendations. Representatives should be included on the ACT mailing lists and invited to all ACT meetings. ACTs are encouraged to either be one and the same with a "regional partnership" or be organized to work effectively with and contribute to the work of a regional partnership.

E. Tribal Governments

ODOT recognizes that Tribal Governments represent sovereign nations. ACT recommendations need to consider the needs of the Tribal Governments, as well as coordination with projects being developed by the Tribal Governments. To provide this coordination and understanding, a tribal representative will be included on the ACT, as applicable.

F. MPOs

MPOs are required by federal regulation to develop a Transportation Improvement Program (TIP) that includes a priority list of regionally significant projects within the MPO planning areas. ACTs are encouraged to cooperate with MPOs to assure better understanding and coordination of projects inside and outside the MPO boundaries and to improve the decision-making process. An MPO representative will be included on the ACT if within the same geographic area as an ACT.

G. Local Governments and Port Districts

Transportation recommendations need to be coordinated with other local and regional community development activities. ACT representation will include elected and port officials from the area. ACT representatives of these groups are responsible for providing regular updates to their respective organizations on actions and recommendations being considered by the ACTs.

F. Stakeholder Groups

While it may be impractical to include representatives from every stakeholder group on the ACT, the ACT needs to make a concerted effort to hear the concerns and recommendations of stakeholders prior to making decisions regarding recommendations to the OTC. The ACT will provide easy access to technical materials and supporting documentation considered by the ACT during its decision-making process (see Section VI., Subsection D., “Public Involvement”).

IX. HOW AN ACT IS ESTABLISHED

Local elected officials and staff work together with the ODOT region manager and the OTC member representing the area to develop a proposal for the formation of an Area Commission on Transportation (ACT). The proposal should address key questions listed below. The proposal is circulated among local jurisdictions for comment, revision and eventually expressions of support. The State Community Solutions Team reviews the proposal for coordination with the Regional Partnership Initiative. The Oregon Transportation Commission reviews the proposal. Once the Commission accepts the proposal, it adopts a resolution providing a provisional charter for the Area Commission on Transportation. The ACT selects its members and begins to function as an official advisory body to the Oregon Transportation Commission.

A. Key Questions to be addressed in an ACT Proposal

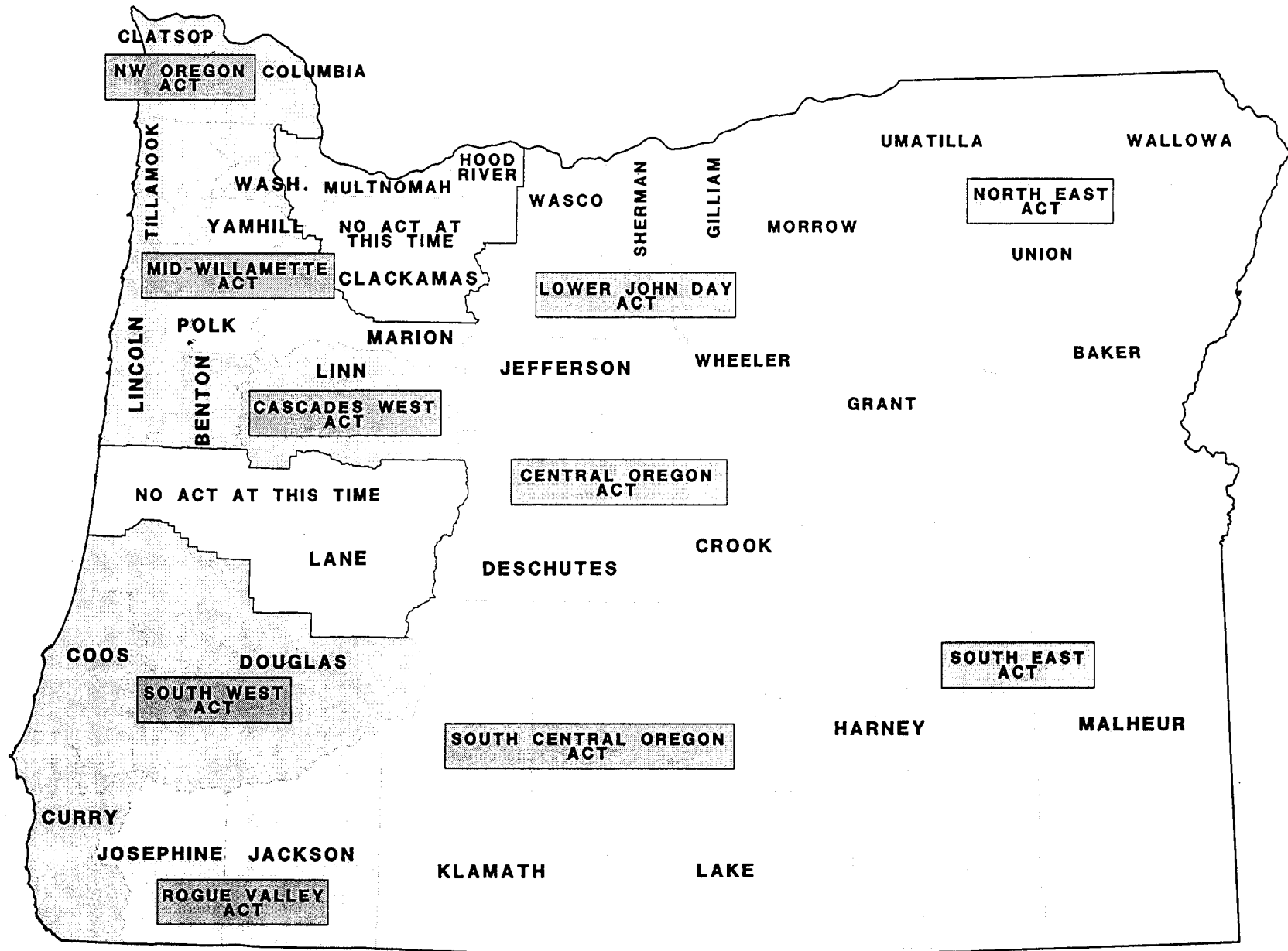
The Oregon Transportation Commission expects that for an ACT to be effective it will represent the political environment of the area. Therefore, each ACT may look and function somewhat differently than another. However, each proposal for an ACT should address at least the following questions:

1. What is the rationale for the geographic boundaries of the proposed ACT?
2. What are the proposed voting and ex-officio membership categories?
3. Is the membership broadly representative of local elected officials and inclusive of the private sector and ODOT (see Section V., Subsection B., “Membership”)?
4. How would voting members be selected to ensure coordination with existing regional public agencies?
5. How would the ACT coordinate with adjacent areas and involve state legislators?
6. If in the future the counties in the area choose to become a “regional partnership” within the Oregon Community Development Initiative, how would the ACT function in relationship to the regional partnership?

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7. What is the proposed work program of the ACT?
8. Who would help guide the work program and agendas of the ACT? Indicate the general operational structure.
9. How would the ACT secure technical assistance on transportation issues?
10. Who would provide support staff to the ACT?

AREA COMMISSIONS ON TRANSPORTATION



To

From

Date

Subject



LARRY HAVERKAMP
Councilor
(503) 618-2584
~~Cell (503) 807-0300~~
Fax (503) 665-7692
haverkamp@ci.gresham.or.us

CITY OF GRESHAM

1333 N.W. Eastman Parkway
Gresham, Oregon 97030-3813

Printed on recycled paper

HDR

M e m o r a n d u m

The three MOST NEEDED transportation improvements in the Portland Metropolitan area:

The single MOST POPULAR transportation improvement we could propose:

Three possible revenue measures (rated by feasibility):

Relatively Easy:

More Difficult:

Would be "The Solution", but very difficult to enact:

Please fax this to me when you have filled it out: ~~503-423-3537~~

See above

Summary of Proposals on Federal Transportation Program Reauthorization

Organization	Major Themes	Revenue Increase Existing – Transit: \$7.5 billion/year, Highway: \$34 billion/year	Streamlining	Other Ideas
Federal Transit Administration (Administration's bill due in February, 2003 when '04 budget released)	<ul style="list-style-type: none"> • Reduce categorical programs • Put all bus funding into formula programs • Create a "small starts" program, \$50-\$75 million, under New Starts • BRT to get specific authority • 70/30 match for everything except New Starts program 			<ul style="list-style-type: none"> • New Starts from General Fund • 50/50 match for New Starts
Federal Highway Administration (Administration's bill due in February, 2003 when '04 budget released)	No FHWA proposals yet.	?	?	?
American Public Transportation Association	<ul style="list-style-type: none"> • Retain basic principles of TEA-21 • Retain firewalls and guaranteed funding for both highway and transit • Grow the program to meet needs • Preserve and enhance flexibility • Maintain current matching shares for highway and transit • Coordinate health and human service programs with federal transportation policy 	Transit: \$14 billion a year	<ul style="list-style-type: none"> • Drug and Alcohol Testing • Simplifying the charter bus rule • Coordination of federal reviews and audits • Procurement procedures 	<ul style="list-style-type: none"> • Transit commute benefit extended to all workers • Coordination of human services with transportation policies • Clean Air Act revised to ease burdens on beneficial projects • Emergency relief extended to transit

Organization	Major Themes	Revenue Increase Existing – Transit: \$7.5 billion/year, Highway: \$34 billion/year	Streamlining	Other Ideas
American Association of State Highway and Transportation Officials - Transit	<ul style="list-style-type: none"> • New revenues for transportation should be apportioned at 80% highway and 20% transit • Continue funding guarantees • Federal/Local match should remain 80/20 for transit • Keep the program flexible (flex funds from highways to transit and vice versa) • Transit should be eligible for innovative financing tools. • Increase General Fund to transit assistance. 	Transit: \$10 billion a year or \$14 billion a year (that APTA proposes) if the increase does not come from highway side		<ul style="list-style-type: none"> • Give states greater flexibility in overseeing other bus/service providers. • Enable transit operators to self-certify Buy America • Should not impose requirements for recycled materials • Passenger rail service revenue should come from other sources than the Highway Trust Fund
American Association of State Highway and Transportation Officials – Highway	<ul style="list-style-type: none"> • Increase funding through drawing down the Highway Trust Fund reserves, capturing gasohol revenues currently going into the General Fund, increasing gasohol tax by 5.3-cents per gallon, indexing federal fuel tax rate, capturing interest on reserves in HTF, increasing the federal fuel tax, increasing general support for transit, creating a new mechanism such as a federally chartered Transportation Finance Corporation that would sell bonds (\$60 billion) • Maintain firewalls and funding guarantees • Continue with RABA with refinements 	Highway: \$41 billion/year HTF: \$60 billion over 6 years through the FTFC	<ul style="list-style-type: none"> • Increase ability to use federal funds for environmental protection goals • Preserve transportation enhancements • Provide technical assistance through AASHTO's Center for Environmental Excellence • Fund Pilot programs demonstrating programmatic approaches to resource protection • Improve the linkage between planning and NEPA 	<ul style="list-style-type: none"> • Congress should promote key defense corridors and increase federal-aid core program funding to meet military transport priorities. • Congress should authorize a new, general fund program that protects critical security related infrastructure. • Congress should provide access to general fund resources for emergency preparedness. • Congress should increase funding for motor carrier security • Authorize a study on the long

Organization	Major Themes	Revenue Increase Existing – Transit: \$7.5 billion/year, Highway: \$34 billion/year	Streamlining	Other Ideas
	<ul style="list-style-type: none"> • Continue, streamline, and expand current innovative project financing techniques • Permit greater flexibility in transferring funds among and within major categories to achieve greater funding efficiency. • Establish an Inter-modal Project Fund Pool account that would be at the discretion of each state to capitalize funds from all modes that may have been apportioned to the state. • Expand eligibility for safety initiatives and continue targeted safety funding • Congress should continue to support curtailing motor fuel tax evasion • Coordinate more closely between Congress and State DOTs on identification and selection of priority projects • No new funding sanctions or incentives 		<ul style="list-style-type: none"> • Reform the NEPA process to strengthen and expand environmental streamlining for determining purpose of project as well as range of alternatives • Reform Section 4(f) to provide greater flexibility and reduce delays • Establish a time limit on filing for a lawsuit 	term viability of the motor fuels tax as predominant means of funding

Organization	Major Themes	Revenue Increase Existing – Transit: \$7.5 billion/year, Highway: \$34 billion/year	Streamlining	Other Ideas
American Association of State Highway and Transportation Officials - Freight	<ul style="list-style-type: none"> • Create a national Freight Advisory Group • Create a Freight Transportation Cooperative Research Program • Support the use of innovative financing mechanisms for freight projects • Increased funding in intermodal connectors through the proposed innovative financing techniques • If the Corridors and Borders program continues...focus on freight corridors and augment financing with innovative financing • Clarify the eligibility of freight projects for CMAQ • Increase funding to highway rail grade crossing programs • Expand and reform the Railroad Rehabilitation Act 	<p>\$10 million annually for training and capacity building & \$5-7.5 million annually for research into freight issues</p>		
American Association of State Highway and Transportation Officials – Planning	<ul style="list-style-type: none"> • Continue state planning and research program • MPOs in attainment, non-attainment and maintenance areas should update their plans every 5 years. As well as new conformity determinations every five years • Maintain maximum flexibility in CMAQ • Increase flexibility in the definition 	<ul style="list-style-type: none"> • Continue Future Strategic Highway Research Program at \$75million over six years • Increase FHWA research program to \$300 million annually (addition of \$98.5 million above current levels) • Increase support for 	<ul style="list-style-type: none"> • Congress should require use of latest EPA-approved emissions models in SIPs prior to required use in transportation plans and TIPs. Require latest vehicle mix data in SIPs prior to use in transportation plans and TIPs. 	

Organization	Major Themes	Revenue Increase Existing – Transit: \$7.5 billion/year, Highway: \$34 billion/year	Streamlining	Other Ideas
	<p>financially constrained</p> <ul style="list-style-type: none"> • Continue flexibility for state Transportation plans • Congress should recognize the legitimate role of state DOTs in making connections by highways facilities by ports, airport, and freight terminals • Retain Corridor and Border Planning • Provide flexibility to state combining MPO planning funds from FHWA and FTA, maintain the 200,000 population threshold for TMAs 	<p>FHWA ITS research from \$100 million annually to \$125 million annually</p> <ul style="list-style-type: none"> • Increase Long-term Pavement Performance Program, transit Cooperative Research Program and the University Transportation Centers program from \$32.5 million annually to \$50 million annually 	<ul style="list-style-type: none"> • Changes in TCMs should not trigger the need for SIP revision or a new conformity determination • Improve alignment of timeframes for transportation and air quality planning horizons • Amend TEA-21 to require EPA to provide adequate notification of changes in air quality requirements. • Provide an adequate grace period to demonstrate conformity • Align conformity lapse dates with highway sanctions time clock • All polluting sectors should be included in analysis of strategies to correct conformity deficiencies in the event of a pending or actual lapse. 	
American Association of State Highway and Transportation Officials - ITS	<ul style="list-style-type: none"> • Ensure a strong inter-modal research program 	<p>\$142 million annually for projects & \$125 million annually for research (current levels adjusted for inflation)</p>		

Organization	Major Themes	Revenue Increase Existing – Transit: \$7.5 billion/year, Highway: \$34 billion/year	Streamlining	Other Ideas
Association of Metropolitan Planning Organizations	<ul style="list-style-type: none"> • Maintain firewalls and guarantees • Restore sub-allocation of STP minimum guarantee funds • Sub-allocate CMAQ funds to MPOs • Extend to states the requirement for an explicit public accounting of NHS and other program expenditures • Increase to 2% the metropolitan planning takedown funds in order to account for additional MPOs 	None specified	<ul style="list-style-type: none"> • Require federal project-sponsoring and resource agencies to participate in the MPO corridor planning processes • Allow concurrent review processes • Provide incentives for demonstrating innovative streamlining techniques • Reduce gap between state air quality and transportation plans and focus the conformity process on the regional transportation plan not the TIP 	
Association of American Railroads	<ul style="list-style-type: none"> • Increase funding for grade crossing program • Increase funding and clarify rail freight eligibility for the Congestion Mitigation Improvement program • Increase funding for the Corridor and Borders Program and liberalize project eligibility criteria • Encourage freight issues be given additional consideration in state and local transportation planning. • Provide tax incentives and tax-exempt financing to companies making investments in intermodal 	Not specified		

Organization	Major Themes	Revenue Increase Existing – Transit: \$7.5 billion/year, Highway: \$34 billion/year	Streamlining	Other Ideas
	freight infrastructure. <ul style="list-style-type: none"> • Allow funding of rail infrastructure through issuance of tax-exempt indebtedness • Increase from \$3.5 billion to \$35 billion the amount of low-interest loans and loan guarantees available through the Railroad Rehabilitation and Improvement Financing Program 			
Amalgamated Transit Union	<ul style="list-style-type: none"> • Preserve firewalls that ensure guaranteed funding • Maintain needs based formulas • Increase funding for flexible programs, especially CMAQ • New innovative financing such as tax credits and SIBs • Transit commute benefit for transit at the same level of compensation as parking space benefits. • Preserve 80/20 match for transit as well as highway • Make all bicycle projects eligible for the 95% federal share. • Transfer medical transportation to FTA • Diversification of state transportation planning commissions and MPO boards, requiring states to appoint transit workforce representatives, minority groups, transit riders, 	\$14.3 billion/year		<ul style="list-style-type: none"> • Flexible Incentive Grant Program (FIG) that would allocate flexible funds to states that (1) amend their state constitutions to create a transportation trust fund that distributes transportation dollars to highways and transit; or (2) unlock their existing highway trust funds; or (3) increase the percentage of or level of spending to alternative modes. • Guarantee each state \$5million annually for rural transit needs • New transit in parks program

Organization	Major Themes	Revenue Increase Existing – Transit: \$7.5 billion/year, Highway: \$34 billion/year	Streamlining	Other Ideas
	<p>bicycle and pedestrian advocates, smart growth groups, businesses and others with a direct stake in the provision of public transportation services with a right to vote.</p> <ul style="list-style-type: none"> Increasing the number of MPOS eligible for direct federal funds and state planning seats by allowing MPOs representing populations of 50,000 or more to be eligible for an official seat at the state-planning table. Demonstration project to sub-allocate flexible transportation funds to a select number of MPOS and a follow up study to determine types of projects chosen and implemented. Authorizing grants to assist states in their efforts to develop or update land use planning legislation Creation of a new Community Benefits Analysis to address the needs of working families focusing on access and affordability, service delivery, economic development, and public participation by evaluating transportation proposals. Reject any federal efforts to impose or encourage privatization of public transportation services Programs to encourage inter-modal 			

Organization	Major Themes	Revenue Increase Existing – Transit: \$7.5 billion/year, Highway: \$34 billion/year	Streamlining	Other Ideas
	transportation facilities			
American Road & Transportation Builders Association	<ul style="list-style-type: none"> • Draw on the balance of the Highway Trust Fund ;\$27 billion (2003) for \$5 billion per year • Resume crediting interest earned on the HTF balance to the trust fund • Increase federal highway user fees; for every 1-cent additional gas tax = \$2 billion/year • Foster tax-exempt financing for transportation capital projects and the implementation of the innovative financing techniques like SIBs and TIFIA • Eliminate gas tax evasion • Eliminate the federal tax subsidy on ethanol-based motor vehicle sales • Indexing the federal motor fuels tax to the consumer price index • Maintain the direct budget links between incoming federal highway user fee revenue and annual federal surface transportation investment, including RABA • Include a “maintenance of effort” provision that asks states to maintain capital funding at the previous years levels. • Create a blue ribbon task force to look at alternative motor vehicle/fuel 	<p>Transit:\$8.9 billion/year Highway\$50 billion/year</p>	<ul style="list-style-type: none"> • Mandate to streamline the environmental planning and approval process for highway projects • Eliminate the fiscally constrained requirement • Reform transportation conformity requirements to eliminate loopholes in the Clean Air Act that stop highways from being built. • SOV lanes should be made eligible under CMAQ • Do not allow NHS \$ on local projects unless it meets NHS criteria. • 	<ul style="list-style-type: none"> • Mandate a federal study to look at mitigating construction noise. • Establish a dedicated funding mechanism for Amtrak and high speed rail that does not utilize federal highway user fee revenues.

Organization	Major Themes	Revenue Increase Existing – Transit: \$7.5 billion/year, Highway: \$34 billion/year	Streamlining	Other Ideas
	tax <ul style="list-style-type: none"> Rename STP to “State and Local Bridge and Highway Program (SLBHP), 10% allowed to Transportation Enhancements 			
Community Transportation Association	<ul style="list-style-type: none"> Investment: Greater federal investment for all community and public transportation programs and maintenance of the fiscal protections and guaranteed funding levels of TEA-21. Innovation: New and innovative investment strategies for community and public transportation. Security: Providing communities of all sizes the capacity to respond to natural and national disasters. Building New Partnerships: All regulatory burdens placed on the community and public transportation field must be examined to ensure necessity and efficiency and serve as a foundation for a new partnership between the federal government and public and community transportation. 	<ul style="list-style-type: none"> Double New starts and rail modernization programs so that the first year of the program from \$1.2 billion to \$2.3 billion. Eventually, by 2009, the two programs would receive \$5.5 billion in federal capital investment. Bus and bus facilities program, going from \$607 million in 2003 to \$2.3 billion in 2004 and ending up, by 2009, also at the \$5.5 billion level. 		<ul style="list-style-type: none"> Tax Credit program of more than \$25 billion to address economic development in low-income communities. National Priorities section, funded at \$1 billion annually

Organization	Major Themes	Revenue Increase Existing – Transit: \$7.5 billion/year, Highway: \$34 billion/year	Streamlining	Other Ideas
U.S. Mayors	<ul style="list-style-type: none"> • Assuring adequate and predictable funding. • Preserving funding flexibility. • Building on the inter-modal approaches of ISTEA and TEA 21. • Expanding and improving innovative financing programs. • Emphasizing the security of the nation's surface transportation system. • Improving international gateways and points of inter-modal connection. • Simplifying Federal transportation programs and continuing efforts to streamline project approval and implementation. • Fostering "intelligent everything" in the development and deployment of technology. • Focusing more on the management and performance of the system as a whole. 	Not specified		

Organization	Major Themes	Revenue Increase Existing – Transit: \$7.5 billion/year, Highway: \$34 billion/year	Streamlining	Other Ideas
National League of Cities	<p>• Funding adequate to meet the infrastructure needs of cities by:</p> <ul style="list-style-type: none"> ➤ Retaining the Highway Trust Fund protections which dedicate all transportation user fees to federal transportation spending; ➤ Depositing all transportation taxes, including those levied on alternative fuels including gasohol, into the Highway Trust Fund; ➤ Retaining current federal – state/local financial matching commitments for projects; and ➤ Supporting innovative financing tools, such as tolls and State Infrastructure Banks (SIBs). <p>Flexibility to locally design, manage, and operate a city's transportation system by:</p> <ul style="list-style-type: none"> ➤ Developing a new Urban Congestion Relief program with funding to localities to help combat increasing metropolitan congestion; ➤ Continuation of strong local programs that have a positive effect on quality of life in cities such as Congestion Mitigation Air Quality, for cities with air quality problems; Transportation Enhancements, which fund bike paths and 	Not specified		<ul style="list-style-type: none"> • Additionally, Congress and the Administration need to work with local officials to better define the new role of local governments in national defense and what those new responsibilities will require in terms of federal support and intergovernmental partnerships. NLC will continue to help determine the appropriate role of transportation security in the reauthorization of TEA 21.

Organization	Major Themes	Revenue Increase Existing – Transit: \$7.5 billion/year. Highway: \$34 billion/year	Streamlining	Other Ideas
	<p>pedestrian facilities; the Transportation and Community and System Preservation Pilot Program (TCSP), which funds local planning for innovative land use practices; and the Intelligent Transportation System program, which funds transportation technology deployment;</p> <ul style="list-style-type: none"> ➤ Requiring that state transportation departments consult with all local officials in developing a transportation plan, including rural areas; and ➤ Streamlining the project delivery process to help reduce unnecessary delays while protecting the environment and citizen participation. <p>Intermodal development to create a seamless transportation network for both passenger and freight movement by:</p> <ul style="list-style-type: none"> ➤ Supporting federal programs, which fund different transportation modes such as transit and rail programs which provide cities with many options for public transportation including -- transit, commuter rail, inter-city rail, high-speed rail and MagLev; and 			

Organization	Major Themes	Revenue Increase Existing – Transit: \$7.5 billion/year, Highway: \$34 billion/year	Streamlining	Other Ideas
	➤ Providing funding for Intermodal projects to help ease freight movement, including intermodal connectors and port facilities.			
National Association of Counties	No proposals yet.			

**Regional Discussion Draft
Reauthorization of the
Transportation Equity Act for the 21st Century
(TEA-21)
Portland, Oregon
August 7, 2002**

1) Major Funding & Policy Issues

a) Transportation Funding.

i) Setting the Baseline for TEA-21 Reauthorization.

The Transportation Equity Act for the 21st Century (TEA-21) authorized the Revenue Aligned Budget Authority (RABA) to create a more direct linkage between the revenues coming into the highway Trust Fund and the revenues being appropriated to highway and transit construction. Over the first four years of TEA-21, RABA generated significant increases in federal transportation funding. However, the Administration has proposed a significant cut in RABA funding for FY 2003. Unless funding is restored, the baseline spending level for the reauthorization of TEA-21, and the overall level of funding for the five-year authorization period, could be significantly reduced.

Background: The Administration has proposed a RABA formula allocation in its fiscal 2003 budget to Congress that represented an \$8.6 billion or 27 percent cut from FY 2002 levels. Congress has indicated that it will likely restore a portion of these highway funds, enough to bring FY 2003 highway spending up to the TEA-21 authorized level of \$27.7 billion but well short of the \$31.8 billion FY 2002 level. Restoration is important not only for FY03 programs but because the FY03 funding level could establish the baseline for the TEA-21 reauthorization spending levels.

Oregon receives, on average, 1.2 percent of federal aid highway allocations so the impact on the state of setting the reauthorization baseline at the RABA level versus the authorized level is approximately an additional 14 % or approximately \$50 million per year in additional funds. Over the course of the six-year authorization the difference would amount to more than \$300 million in additional funds if the higher authorization level is achieved.

If the Administration's FY03 budget proposal were to become the new authorization baseline, Oregon could stand to lose approximately \$100 million per year over the FY02 RABA levels or \$600 million over the life of the new authorization.

Policy Proposal: Support restoration of the highway program spending cuts proposed by the Administration. The "baseline" spending levels in the new TEA-21 should not be influenced by the lower levels proposed in the Administration's FY 03 budget.

Restoring the baseline to the TEA-21 authorized level would increase spending by \$4 billion in the first year of the new bill. Restoring funding to the FY02 spending level would increase spending by \$8 billion in the first year of the new bill.

Consistency: this is essential to the implementation of the RTP.

ii) Increase Overall Funding Levels: Additional funding is the most critical issue for the reauthorization of TEA-21.

Background: The overall level of funding for the highway trust fund largely determines the level of funds available for all federally funded transportation programs including highways, bridges, light rail, bus, bike, pedestrian and planning.

TEA-21 Improvements. Federal highway and transit funding increased dramatically under TEA-21. Guaranteed highway funding levels increased 42 percent over the Intermodal Surface Transportation Efficiency Act (ISTEA) levels to \$27 billion. Transit guaranteed levels increased 31 percent. Congress also RABA for the highway program, linking highway spending to trust fund receipts. RABA in particular has generated significantly higher highway funding levels at the national level than would have been available under a fixed authorization formula.

Revenue Aligned Budget Authority. Despite increased funding in TEA-21, needs have continued to outstrip resources because of the aging of the system, increased growth and congestion, growing interest in rail new start projects around the country and the additional cost of responding to new requirements such as the endangered species act. And, although RABA has generated significant additional resources for the highway formula program, recently the appropriations process has varied from the original formula allocation of RABA funds with a few key states receiving earmarks of the full RABA amount. In addition, the interest on the Trust Fund was diverted to the general fund in TEA-21, reducing the available funds significantly.

Inflation. The federal gas tax is a fixed \$18.3 cents per gallon. Because it is not indexed to inflation, each year the federal Highway Trust Fund loses purchasing power in real terms. The national inflation rate for heavy highway construction has averaged (%%) per year over the life of TEA-21.

Ethanol Tax Credit. The federal government supports the ethanol industry with a 5.3 cents per gallon tax credit for "gasohol" which consists of 90 percent gasoline and 10 percent ethanol. With the federal tax incentive, companies that blend ethanol pay a 13 cents per gallon federal excise tax, compared with the standard 18.3 cents per gallon tax on motor fuels.

Additionally, 2.5 cents per gallon of the excise tax on ethanol-blended fuels is diverted to the Treasury's general fund. The highway trust fund receives only 10.5 cents per gallon for each gallon of ethanol-blended gasoline, 7.8 cents less than

gasoline. Between fiscal 2000 and 2010 approximately \$15.3 billion will be lost to the highway trust fund due to the ethanol tax credit and diversion to the general fund.

The American Association of State Highway and Transportation Officials (AASHTO) has set a goal of increasing the federal highway program from \$34 billion in fiscal year 2004 to \$41 billion in fiscal year 2009 - an increase of 34 percent. The goal for transit is to see an increase from \$7.5 billion to \$10 billion over six years. In part, AASHTO has proposed funding the increased size of the program through a Federal Transportation Finance Corporation through the use of debt. The goal of the American Public Transportation Association (APTA) is to increase the transit program to \$14 billion per year.

Policy Proposal: Additional funding is necessary to meet the federal and local objectives of the transportation program. There are a number of approaches that could be taken to increase funding. They include:

- (a) Spend the accumulated balances in the Trust Fund.
- (b) Return RABA generated funds to the state formula allocation. Eliminating earmarking would have resulted in an additional \$1 billion in formula highway funds in FY 02 distributed to the states by formula.
- (c) Use general fund dollars to compensate the Trust Fund for the lower tax rate on ethanol (\$.053 lower tax rate) and the portion of the ethanol tax now going to the general fund is \$.025). These ethanol tax credits cost the Trust Fund approximately \$1.5 billion per year.
- (d) Rededicate interest payments currently going to the general fund to the Highway Trust Fund.
- (e) Index the federal gas tax to reflect inflation.
- (f) Support the Federal Transportation Finance Corporation if tied to new revenues.

Consistency: increased funding is the single most important issue, not only to better fund on-going programs but to allow creation of new programs outlined in this paper.

- iii) **Oregon Highway Formula Allocation:** Oregon won a significant victory in TEA-21, changing the national formula to return more federal tax dollars to Oregon.

Background: Oregon won a major victory in TEA-21 with the passage of a highway allocation formula that boosted the state's allocation from \$0.89 returned to the state for each \$1.00 of tax paid to \$0.94 cents returned for each \$1.00 paid. The highway allocation formula is critical to the state, local governments, transit districts, and the region because it dictates the amount of funding that is available for planning, air quality improvement, bicycle and pedestrian facilities as well as highway and bridge repair and construction.

Analysis: Next to the overall level of highway trust fund revenues, the allocation formula is the most important factor in determining the amount of federal highway, STP, CMAQ and other transportation funding received by the state. A small change in the formula translates into tens of millions in additional funds allocated to the state. Allocations are based in part on Census data. In past years, the most recent Census data has not always been used, even when available. This has disadvantaged high population growth states and geographic regions.

Policy Proposal:

- (a) Support the state's efforts to secure its fair share of federal Highway Trust Fund allocations and improve its position even further in the upcoming reauthorization.
- (b) Oppose further suballocations of the trust fund. Suballocations actually reduce the flexibility of federal transportation dollars, rather than increasing flexibility as envisioned in ISTEA and TEA-21.
- (c) Congress should require use of the 2000 census wherever the law calls for population in its federal formula programs. If the 2000 census is not available, under no circumstances should data acquired before the 1990 census is used.

Consistency: at least maintaining the formulas that result in Oregon receiving 94%, return is consistent with the RTP.

iv) Maintain firewalls and funding guarantees.

Background: Prior to TEA-21, Highway Trust Fund dollars were counted as part of the overall federal budget. Transportation was forced to compete against other federal programs for funding. This resulted in years of under-investment in transportation while at the same time unspent Trust Fund balances ballooned. TEA-21 restored the integrity of the Trust Fund and guarantees that all of its revenues will be spent on transportation.

TEA-21's Revenue Aligned Budget Authority (RABA) provisions have generated significant resources for the highway program. RABA funds are allocated to states based on TEA-21's highway allocation formula. Recently, however, the appropriations process has earmarked funds rather than follow the formula approach.

Analysis: Guaranteed funding for highway and transit programs has provided much needed stability of funding levels, allowing for longer range planning and investment strategies and multi-year federal commitments.

Policy Proposal:

- (a) Support maintaining firewalls that separate the Trust Fund from the unified budget.

- (b) Support continuation of guaranteed funding for highway and transit programs.
- (c) Work to sustain RABA and its formula allocation approach in the next bill, ensuring that Trust Fund balances do not accumulate.
- (d) Support the current ratio between the highway and transit accounts of the Trust Fund.

Consistency: this is essential to the implementation of the RTP by shielding transportation appropriations from unexpected budget cuts.

v) Additional funding for New Starts.

Background: Since the construction of the original eastside MAX light rail project, the Portland region has received more than \$1 billion in New Starts funding. The region has become a national model for using the development of light rail projects to respond to growth, congestion and regional land use and development goals.

Our success has spurred other communities to pursue light rail initiatives of their own. Currently there are 11 projects in Final Design and 39 in Preliminary Engineering. The projects will likely seek a total of \$21.1 billion in TEA-21 authority.

The national growth in proposed New Starts projects has raised congressional attention and support for the program. TEA-21 increased the authorized funding available for the New Starts program from \$760 million in FY1998 to \$1.2 billion in FY2003.

Analysis: While funding has increased, the New Starts program is under intense pressure to respond to a growing number of candidate projects across the country. The most optimistic assumptions for the program call for spending approximately \$10 billion over the next authorization period.

It is a very high priority for the region that the New Starts program remains and increases in funding level.

Current regional priorities for funding from the New Starts Program are:

- to complete appropriations toward the FFGA for Interstate MAX;
- execute an FFGA for Wilsonville to Beaverton Commuter Rail and complete appropriations;
- obtain authorization for the South Corridor project; execute an FFGA and complete appropriations.

Taking a longer-term view, future priorities for New Start funding need to be sorted out. Based upon past funding actions of JPACT, consideration should be given to:

- beginning the Clark County loop connecting Interstate MAX and airport MAX;

- the downtown Portland Transit Mall alignment for MAX;
- extension of the Portland Streetcar into North Macadam and along the Willamette Shore route to Lake Oswego.

Policy Proposal: Support a significant increase in federal New Starts funding to respond to the national demand for New Starts projects and to enable the region to pursue its anticipated fixed guideway initiatives. Any increase in funding for the transit program should concentrate on the New Starts program. Increased funding could come from sources noted above. Maintain current non-federal match requirements in statute and FTA flexibility in applying match requirements.

Consistency: this is essential to the implementation of the light rail portion of the RTP since this is the major source of funding and national competition continues to increase.

b) Major Policy Issues

i) Maintain or expand flexible and progressive policies in ISTEA and TEA-21.

Background: ISTEA's groundbreaking achievement was increasing the flexibility of federal transportation funds with the implementation of the STP, CMAQ and Enhancements programs. In addition ISTEA allowed states and local governments greater ability to tailor their transportation programs to reflect their individual goals and needs, while contributing to the development of a national intermodal transportation system.

TEA-21 maintained the flexible transportation funding structures of TEA-21 and implemented new programs such as TCSP that allowed even greater flexibility.

Analysis: The Portland region has used the flexibility of the federal transportation funding programs authorized in TEA-21 to shape transportation solutions that work for our cities and neighborhoods. The region has succeeded in increasing transit use at a rate faster than population or VMT growth. The result is one of the most livable communities in the country.

Policy Proposal: Urge Congress to maintain the flexible funding structure of TEA-21 and improve programs such as TCSP so they can fulfill their original.

Consistency: this is essential to the implementation of the RTP since these are sources of funds allocated through the MTIP process.

ii) Intermodal connectors and freight facilities:

Background: One of the greatest achievements of ISTEA was its emphasis on intermodalism. TEA-21 continued the ISTEA focus on intermodalism and the result has been a more flexible, efficient and integrated transportation system. In particular,

ISTEA and TEA-21 allowed greater flexibility in addressing freight mobility issues, an area that had received relatively little attention in federal funding programs previously.

The NHS Intermodal Freight Connectors report sent to Congress documents the fact that NHS freight road segments are in worse condition and receive less funding than other NHS routes. Targeted investment in these "last mile" segments would reap significant economic benefits relative to the costs.

Analysis: TEA-21's focus on intermodalism was a move in the right direction. However, the region's experience over the past six years has indicated areas of potential improvement. For example, there remain a number of limitations on the kinds of freight projects that can receive federal dollars that limit the region's ability to respond to regional priorities.

Policy Proposal:

- (a) The Borders and Corridors program should be amended to focus greater resources on a few strategic freight corridors, like Interstate 5, which connect the United States, Mexico and Canada. An emphasis should be placed on projects that improve the movement of freight. The program's authorization level should be increased.
- (b) Congress should clarify the eligibility of freight rail and road projects for CMAQ funding.
- (c) Congress should consider transferring the 4.3-cent tax on railroad diesel fuel from the General Fund to the Highway Trust Fund to provide resources for expanded freight railroad project eligibility.
- (d) Congress should encourage the creation of a Freight Advisory Group -- a mechanism for communicating with one voice to "one DOT" on freight transportation issues.
- (e) A Freight Transportation Cooperative Research Program should be created.
- (f) Congress should enhance the use of Transportation Infrastructure Financing Innovation Authority (TIFIA) (a credit enhancement program) by lowering the project dollar threshold from \$100 million, changing the debt mechanisms from taxable to tax-free, expanding eligibility for freight projects and relaxing repayment requirements; allow pooling of modal funds; expand the State infrastructure Bank program to all states; create tax incentives for freight rail and intermodal infrastructure investment.

Consistency: this is essential to the implementation of the RTP because these recommendations would assist in implementing I-5 Trade Corridor improvements and because this region has a significant freight function.

iii) Oppose devolution or formularizing of transit discretionary grant program.

Background: During the TEA-21 authorization debate a proposal was surfaced in Congress to eliminate the discretionary transit program that allocates funds to a select group of project based on merit (including New Starts), in favor of a formula program that allocates funds based on population.

Analysis: The region opposed devolution or formularizing of the New Starts program during TEA-21 because the current discretionary grant process ensures high quality projects of a scale sufficient to address major transportation corridors. Formularizing funding would mean each state would receive only a relatively small stream of funds, making the construction of large rail projects with federal funds nearly impossible. Regions with superior projects, such as Portland, would receive no additional funding relative to region's pursuing less meritorious projects.

Policy Proposal: Continue to vigorously oppose devolution or formularization proposals.

Consistency: this is essential to the implementation of the RTP because shifting FTA funding to formula would ensure that light rail projects would not be implemented.

2) New Initiatives and Concepts

A number of new initiatives are being debated and analyzed at the national level. Pending the outcome of national developments, the region has not taken a firm position on a number of these concepts. These initiatives and concepts are outlined here in order for the region to be fully informed on the national level debate on TEA-21 policy.

a) Key Transit Policy Issues

i) Balancing Additional New Starts funding.

The region recognizes that attention needs to be given to the needs of existing rail systems to add to their core system capacity. Projects that will make better use of existing infrastructure can offer a cost-effective approach to build transit ridership. This region expects to be able to benefit from such investment in future years. We believe that, consistent with the priority we place on the New Starts program, some of the growth in transit spending above current levels could be devoted to addressing "core capacity" needs.

The top priority of the region is to increase funding for the New Starts program. At the same time, the region continues to support the existing balance at the federal level between New Starts, Rail Modernization and Bus Facilities programs. It will be

important to monitor proposals for an added “core capacity” program to determine whether to support it.

Consistency: increased funding for New Starts is essential to the implementation of the RTP. Creation of a “Core Capacity” funding category, may be useful since it could provide an alternative source for capacity expansion of the existing LRT corridors. Similarly, a “Small Streets” program under discussion could provide an alternative source for streetcar and commuter rail projects.

ii) Full Funding Grant Agreements for TOD and BRT.

Background: There are a set of important regional TOD, TSM and BRT projects that are often times too small to merit a FFGA for tens of millions in federal participation and too big to be funded in one or two years of the typical one to three-million dollar federal bus discretionary earmark. Transit agencies do not have the capability to carry the financing or the risk of advancing local funds to these projects in anticipation of future federal appropriations.

Analysis: There are some BRT or TSM projects in the new start pipeline, but none have actually received an FFGA. Many TOD and TSM projects leverage additional ridership, leverage positive land use patterns around transit stations and generally add value to fixed guideway improvements. At the same time, they do not generally lend themselves to the typical measures used by the FTA in evaluating FFGAs.

Over the course of TEA-21, Congress has moved increasingly to earmarking the FTA bus and bus facilities funds. Unlike the New Starts program, these earmarked projects receive no FTA evaluation or rating prior to congressional funding decisions.

Policy Proposal: To facilitate the development of these projects, which are generally cheaper options, they should be made eligible for FFGAs out of the existing bus program. The FFGAs should undergo FTA review for technical and financial feasibility and transportation benefit but the review should not be as resource demanding as the New Starts program. This would have the effect of returning at least a part of the bus program to a merit-based allocation.

Consistency: this would be useful for implementation of transit elements in the RTP through provision of a multi-year funding agreement.

iii) Streamline Project Delivery.

Background: The design build project delivery method has several advantages over the traditional design-bid-build method. Design build projects bring the architect/engineer and the general contractor together into a single contract entity.

The resulting partnership enhances communication between the parties and neutralizes their competing and sometimes adversarial business roles. Further, the owner is relieved of its “go-between” role for design/construction coordination matters since this risk is shifted to the design build contractor.

Design build often results in time savings for overall project delivery compared to the traditional method. Time savings are possible due to the ability of the design build team to begin early phases of construction while design is being completed for later phases.

Design build can sometimes yield significant cost savings, particularly in situations where flexibility in the finished product is possible. In such cases, collaboration between the designer and contractor can achieve the most efficient balance of design choices and construction methods.

Tri-Met Experience. Tri-Met has had several positive experiences with design build project delivery. Of particular note is the Portland Airport Light Rail Extension. That project used a single design build contractor for the entire project. The design build contractor was brought into the project very early in the project life, participating in Preliminary Engineering (PE) work prior to final contract negotiations and final design & construction. In fact, the design build contractor was also an equity partner in the project, providing capital funding in exchange for development rights in publicly owned property surrounding a portion of the alignment. By using the design build method, Tri-Met acquired an excellent system extension and experienced the remarkably low change order percentage of 1.5 percent.

Design build in TEA-21. Design build was introduced to the transit industry in the ISTEA Act of 1991. Several demonstration projects were established to explore this delivery method in actual transit practice, and the demonstrations were carried through into TEA-21. Results of the demonstration projects were published in a report to Congress in 1998.

In 2000, FTA released interim guidance on how the existing FFGA process steps should be applied to projects using the design build delivery method. Although the guidance was a beneficial step forward in integrating design build into the New Starts environment, additional changes in the FFGA process could render even greater benefits from design build. Reauthorization of TEA-21 may provide an excellent opportunity to do this.

Analysis. The FFGA process for design build outlined in the current guidance is very similar to the process for the traditional delivery method. It is structured to bring the design build contractor into the project at the time a traditional final design would begin. This sequence allows the existing legal and administrative requirements to be applied to design build. However, introduction of the design build contractor at the time of final design is too late to leverage much of the potential benefit of the design build method.

To gain the maximum benefit of design build for transit projects, it is desirable to bring the design build team into the process very early in the project life. It is beneficial for the design build team to participate in PE, prior to development of documents for NEPA approval. This early involvement allows the design build team to influence the alignment layout and station area development to optimize cost, constructibility, ridership, and joint development opportunities. Early participation in joint development opportunities is especially important in order to promote equity partnership from the design build team.

Policy Proposal: Utilizing such early involvement, a revised FFGA process could be as follows:

- (a) *Alternatives Analysis*, including selection of the Locally Preferred Alternative, would be conducted in the usual manner by the sponsor Agency and MPO.
- (b) The Agency would submit to FTA a *Request to Enter Design Development*. This would be similar to a Request to Enter PE and would contain the same information and criteria evaluation/requirements. It would differ, however, in that Design Development authority would encompass both PE and a pre-determined portion of Final Design (perhaps to the 30% level). Combined PE/partial FD recognizes the lack of hard edges between PE and FD in design build and thus eliminates the separate steps of PE/Final Design approval.
- (c) *Upon approval to enter Design Development*, the Agency would execute a two-phase contract with a design-builder. Phase 1 would be for Design Development/NEPA support and Phase 2 would encompass Design Completion/Construction. Solicitations for interested proposers could be initiated concurrently with Step 2 above. Even at this early stage, real financial competition can be generated from proposers through their commitments on:
 - equity investment for property development rights
 - fee percentage on final design & construction
 - incentives for “beating the budget”
 - sharing of unused construction contingency
 - tax incentive rebate from vehicle leasing mechanisms.
- (d) *During Design Development*, the design build would assess the LPA, influence the concept where appropriate, provide support for NEPA documentation, conduct detail design on key issues/areas, and develop a cost estimate for final (production) design and construction. Meanwhile, the agency would lead the NEPA approval effort, solidify local funding (including design build equity partnership, if included) and prepare PMP, Fleet Plans, and other documents. The Agency and the design build would negotiate a firm price for the second phase (design/construction) based on the results of Phase 1 efforts.
- (e) Design Development would conclude with *submission of a request for an FFGA*. During the 120-day review process, the design build could proceed

with detail design, ROW acquisition and even early construction activities under LONP authority.

- (f) Once the *FFGA is approved*, the design build contract's Phase 2 work would be authorized, and final design/construction completed.

The alternate scenario provides for an extremely effective alliance between the Agency, designer, and builder. It recognizes that in the design build process, lines between PE and FD are blurred. PE resources are devoted to issues that harbor the greatest risks and rewards. Further, it is the builder itself who decides where the pressure points are, leading to fewer surprises, lower contingencies, and quantifiable risks. Those risks that remain can be discussed and apportioned between Agency and design build and addressed in the terms of the negotiated price.

Conclusion: The current guidance on use of design build contractors for transit construction is a good first step. In cases where there is little possibility for alignment deviation or Joint Development, PE and Final Design can remain separated and the guidance can be followed.

The alternate process described above facilitates even greater benefit from design build by bringing the builder into the process early, thus gaining the benefit of engineering, construction and commercial knowledge before alignment decisions are fixed. The preferences revealed reflect the unique approach of the specific design build team. Further, their vested interest in the construction and operational phases ensures that their ideas are realistic and pragmatic, and endows the design build team with a fiduciary interest in making them work.

Consistency: this would be useful for delivery of the RTP through more efficient, expedited procedures.

b) Environmental stewardship and streamlining.

Background: The National Environmental Policy Act (NEPA) process for large, complex projects has become increasingly lengthy and complex. Listings under the Endangered Species Act (ESA) are impacting not only large construction projects, but also routine preservation and maintenance activities. Previous efforts to streamline the environmental review of transportation projects, including those in TEA-21, have yielded some results, but significant issues remain.

Analysis: In response to Section 1309 of TEA-21, ODOT has developed and implemented a coordinated review process for highway construction projects. This improved method for state and federal permitting agencies to review highway projects is up and running in Oregon. Known as "CETAS" (Collaborative Environmental and Transportation Agreement on Streamlining), it establishes a working relationship between ODOT and ten state and federal transportation, natural and cultural resource and land use planning agencies. The CETAS partnership has defined how to streamline (in six tasks):

Implement an Environmental Management System to achieve performance based permitting:

- Employ Habitat Mitigation Programs;
- Enlarge GIS Mapping Systems of Natural and Cultural Resources;
- Additional Programmatic Biological Opinions (PBOs);
- Seamless Performance of contractors and local governments;
- Expand Partnerships.

Policy Proposal: Congress should support state-led efforts to both protect the environment and streamline the review process for transportation projects by:

- Providing increased funding to state departments of transportation and resource agencies to develop new programmatic approaches.
- Funding a pilot project for ODOT to demonstrate the benefits of implementing an Environmental Management System culminating in ISO 14001 certification.
- Providing resources for Global Information Systems (GIS) mapping of natural and cultural resources.
- Sanctioning advanced wetland and conservation banking for transportation projects.

Consistency: this would be useful for delivery of the RTP through more efficient, expedited procedures.

c) Key Highway Policy Issues

i) Additional resources for the I-5 Trade Corridor.

Background: Interstate 5 (I-5) in Oregon, Washington and California is one of 12 high priority corridors identified in TEA-21. One-fourth of the nation's exports and imports pass through the I-5 corridor.

The area between the I-84 interchange in Oregon and the I-205 interchange in Washington has been identified as having significant bottlenecks that threaten the economic vitality and livability of the region.

The Governors of Oregon and Washington have appointed a 28-member Task Force to develop a bi-state strategic plan to manage and improve transportation and freight mobility in the corridor.

The strategic plan will address freeway, transit, heavy rail, and arterial street needs. The public planning process started in January 2001 and the strategic plan is expected to be complete by the fall of 2002. Partners in this effort include Oregon and Washington Departments of Transportation, Metro, Southwest Washington Regional Transportation Council, the ports of Portland and Vancouver, the cities of Portland and Vancouver, and Multnomah and Clark counties.

Work by the Task Force in the spring of 2002 will include development of recommendations on finance and implementation, bi-state land use agreements, transportation demand management, community enhancements and environmental justice, and freight and passenger rail.

Analysis: The bi-state strategic plan will address freeway, transit, heavy rail, and arterial needs. The public planning process started in January 2001 and the strategic plan is expected to be complete by the fall of 2002.

Draft Recommendations recently adopted by the Task Force call for:

- Upgrade existing bridges from 6 to 10 lanes across the Columbia River.
- A phased extension of the two existing light rail lines in Portland north to connect as a loop in Clark County
- Implementation of aggressive measures to reduce single auto trip demand, increase transit service and encourage use of alternatives to auto commuting
- Agreement to control land uses to avoid inducing more sprawl in response to a bigger freeway to simply result in a bigger traffic jam in the future.
- Three through-lanes, including Delta Park; and
- Interchange improvements between Columbia Blvd. in Portland and SR 500 in Vancouver.

The Task Force draft recommendations also call for a post-Task Force study of an arterial road west of I-5 in the vicinity of the railroad bridge.

Policy Proposal:

- (a) Supports the state's efforts to eliminate bottlenecks in the I-5 Trade Corridor, especially between Portland and Vancouver, Washington.
- (b) Support continuation of TEA-21's Borders and Corridors program at a higher funding level and with a greater focus of funding to key corridors, like the I-5 Trade Corridor, which are true national freight corridors.
- (c) Support to a least \$1 billion increase of funds for the Border and Corridor program, expand the concept to include projects that support gateways to national and international markets and focus the emphasis on freight and bi-state cooperation.

Consistency: this would provide an expanded funding category for a significant RTP priority.

ii) Additional Railroad Resources in the I-5 Corridor

(1) Track Capacity

Background: Today the federal investment in passenger rail is a fraction of what is spent on other modes of transportation, and is limited primarily to providing

Amtrak with annual operating and capital funds, the vast majority of which go to the Northeast Corridor.

In the Pacific Northwest Corridor, the states are paying the full operating cost to Amtrak. Since 1992, Oregon has spent over \$24 million for operating costs alone. The state, local governments and railroads have invested another \$25 million for track and station improvements in the corridor.

Over \$100 million of track and signal improvements is needed in Oregon's portion of the corridor, without counting the cost of upgrading the rail bridge across the Columbia River. Federal funds are also needed to purchase train equipment, which would help lower operating costs.

The joint UP/BN crossing of the Columbia River is one of the busiest and most important rail links in the region. ODOT and WSDOT, in cooperation with Amtrak, the Ports of Portland and Vancouver, and the railroads, are undertaking a track capacity analysis of the joint UP/BN line across the Columbia River. Previous analyses suggest significant capacity problems on this line segment in the near future, which could impact economic development opportunities, passenger train expansion and through freight operations.

Analysis: States should not have to shoulder these costs alone. Federal highway and transit programs provide capital funding for roads, bridges and transit improvements, and likewise federal funds are needed for passenger rail development. Congress could increase the amount of funding available for passenger rail development if legislation pending this year is enacted. Some versions, however, would create a new complicated loan program rather than a grant program.

Loan programs alone will not provide the federal investment needed for states to develop successful passenger rail corridors. The reauthorization of TEA-21 is an opportunity for Congress to establish a federal rail program that adequately supports passenger rail development.

Policy Proposal: Support federal legislation to increase capital funding for freight and passenger rail facilities. Opposes moves to dissolve Amtrak. However, in the event that Amtrak is dissolved or dramatically restructured to eliminate West Coast services, track rights should revert to the state to allow passenger service to continue.

Consistency: this would provide funding for elements of the RTP dealing with the high-speed rail, the I-5 Trade Corridor and freight movement in general.

(2) Truman Hobbs

Background: The joint UP/BN crossing of the Columbia River is one of the busiest and most important rail links on the West Coast. ODOT and WSDOT, in cooperation with Amtrak, the Ports of Portland and Vancouver, and the railroads, are undertaking a track capacity analysis of the joint UP/BN line across the Columbia River. Previous analyses indicate significant capacity problems on this line segment which would impact economic development opportunities, passenger train expansion and through freight operations.

The Coast Guard is currently undertaking an examination of the eligibility of the UP/BN railroad bridge over the Columbia River for Truman-Hobbs (navigational hazard) funding. The rail bridge swing-span is lined up with the lift span on the I-5 bridges, making it very difficult and hazardous for ships to use the I-5 "high" fixed span section. Using the fixed span section avoids the need for opening the bridge and the resulting delay on I-5.

Analysis: Truman Hobbs is a federal program that funds projects to address rail hazards to navigation. Projects are selected based on the cost benefit of a given investment to the marine and freight rail facilities.

Policy Proposal: The analysis of the cost delay of the UP/BN rail crossing of the Columbia River should be expanded to include the impacts on truck and auto commerce on the I-5 bridge due to lift span operations caused by the RR bridge.

This can be done under existing statutes, but the law should also be changed to allow car/truck delay as part of the consideration. Truman-Hobbs funds are intended for "in-kind" replacement of navigational hazards but can be contributed toward larger facility upgrading projects such as adding capacity to the UP/BN bridge.

Consistency: this would increase the likelihood of funding to replace the railroad bridge swing span.

d) Oppose federal preemption of state law regarding weight-mile fees.

Background: Oregon maintains the cost-responsibility of paying for maintenance, preservation and modernization of the road and highway system through the weight-mile fee on commercial trucks. The weight-mile fee is based on the weight of the vehicle, the number of axels and the distance the vehicle travels on Oregon roads. The weight-mile tax is structured to most closely reflect the cost responsibility of trucks relative to the taxes paid by auto users.

Analysis: The national trucking industry has sought to eliminate the weight-mile system at the state and federal level. In the debate leading up to ISTEA and TEA-21 there were efforts to introduce amendments preempting weight-mile taxes on the state level.

Policy Proposal: The federal government should not preempt state authority to establish the most equitable method of assigning and implementing cost responsibility.

Consistency: *this would protect a source of funding for the state highway fund that provides about 35% of the funding.*

e) Multi-State Vehicle Miles Traveled tax demo program.

Background: As the prevalence of electric and hybrid fueled vehicles increases, there is a growing recognition in Oregon and other states that the gasoline tax is becoming a progressively less adequate financial source for surface transportation programs. In the 2001 legislative session Governor Kitzhaber asked for and received legislative approval of a task force to address the future of the gas tax as a source of Oregon highway funding. The Road User Fee Task Force (RUFTF) is preparing findings and recommendations regarding the viability and applicability of alternatives to the gas tax.

Analysis: Higher fuel efficiency and greater use of alternative fuels for autos erodes the ability of the gas tax to meet growing system demand. Although these vehicles continue to contribute to congestion and road damage, they do not contribute to the transportation trust fund in a proportional fashion.

Policy Proposal: Support a federal effort to examine ways a VMT tax or other road user fee system could be implemented at the state or federal level.

Consistency: *this is similar to the Road User Fee Task Force established by the '01 Oregon Legislature to investigate alternative sources to the gas tax.*

f) Highway Bridge Replacement and Repair (HBRR) issues.

Background: Current federal rules to determine the allocation of HBRR formula funds to states are based principally on the square footage of bridges. The TEA-21 formula does not recognize the additional cost in preserving and rehabilitating movable (lift span) bridges. The movable Willamette River bridges in Portland and elsewhere in Oregon receive the same funding per square foot as more easily maintained fixed span bridges.

Analysis: Under current formula, Oregon received approximately \$40.2 million in HBRR funds over the first four years of TEA-21, representing approximately 2.7 % of total HBRR funds allocated.

Oregon has 27 heavy movable bridges or approximately 2.3 percent of a national total of approximately 1171 heavy movable bridges. By contrast, Oregon has approximately 7,300 total bridges, about 1.2 percent of the national total for all NHS and non-NHS bridges. Oregon's share of structurally deficient and functionally obsolete bridges is 1 percent of the national total.

It is estimated that the cost to replace or rehabilitate movable bridges is 1.7 times the cost of fixed span bridges.

Policy Proposal: Reauthorization should incorporate a 1.7 times factor in the HBRR formula for lift span bridges.

Consistency: this would provide an expanded source of funds for Multnomah County's Willamette River Bridge project.

g) Orphan Highways.

Background: An orphan highway is any aging US designated state highway that's role as a regional highway has been supplanted by the construction of the Interstate Freeway system. These highway links were predominantly built in the 1930's, '40's and 50's. During their primary service years, land uses that located along their lengths were auto oriented in type and function. Many were constructed as rural areas evolved into the first tier of suburban communities, making the leap from farm to market roads to urban highways. Much of the older commercial strips and nodes that were served by these state roads have been deteriorating and the roadways are likewise underutilized.

Analysis: A program of new reconstruction funds for state and local jurisdictions would make rehabilitation of these roadways viable as multi-modal main streets and boulevards. Application of these funds should be on routes where more intensive comprehensive plan land use designations are already in place. So doing will allow these facilities to not only provide an improved transportation asset but also change the face of the community from a land use perspective.

Examples of Candidate Routes: In Portland, many of the state highway routes that traverse the city have auto oriented commercial uses along their length with intermittent commercial nodes. Sandy Boulevard, as an example, serves several miles of northeast and southeast Portland as a four-lane arterial with sidewalks, intermittent on-street parking, left turn bays and good transit service. The street, which is a state highway, serves both local and non-local transportation trips. The Hollywood and Parkrose Districts serve as commercial centers along its length. Both regional and local land use and transportation policy focus on returning this street to its historic character by reconstructing the street with boulevard type standards that serve all modes and encourage property owners to reinvest in urban density land uses.

The state, in partnership with the city, designed and reconstructed a 12-block length of Sandy Boulevard using the more progressive regional boulevard design guidelines. The amenities included rehabilitation of the entire street cross section; addition of bike lanes, planted medians, pedestrian curb extensions, wider sidewalks and left turn refuges. Existing engineering standards were a difficult stumbling block, requiring design exceptions for some of the design's elements. Providing for more flexible design

standards in this proposed program would save considerable time, money and negotiation.

Since its completion private property owners have invested in their storefronts or in some cases completely rebuilt on the sites using the more urban land use development regulations. These new developments have changed the character of the street and added vitality to the community. Now folks actually walk across the street rather than drive. The project is the region's showcase of how these once forgotten highway segments can become the jewel of the community. Other state highway segments that could be candidates include; Powell Boulevard, Lombard Street and Barbur Boulevard in Portland.

Policy Proposal: Create a pilot program of not more than \$25 million to be funded out of new federal funds, rather than off the top of the formula program. Candidate projects would be judged based on the following criteria:

- (a) 100% federal funding when the local government agrees to take over maintenance.
- (b) Local government must commit to supportive comprehensive plan and zoning designations that support more intensive, mixed-use development along part or all of the route.
- (c) FHWA should provide for more flexible design standards to achieve the program's design goals.
- (d) The program should be limited to a small number of pilot projects to curb wholesale earmarking and provide financing to the truly worthy projects.

Consistency: this would provide a source of funds to implement community-based improvements on state highways ODOT would prefer to transfer to local governments. Consistent with the function called for in the RTP.

h) Freeway Removal and Reuse

Background: There is some interest in more flexibility for federal highway dollars to remove and reuse highways and interstate freeways if that is the desire of the local community.

This would continue the tradition of ISTEA and TEA-21 in giving greater flexibility to local jurisdictions in deciding the best local solution to their transportation and land use needs. It would allow the use of federal funds in major, community defining decisions such as the removal of the waterfront freeway and construction of Tom McCall Park.

However, given the tremendous unmet needs for maintenance and preservation of the existing highway and freeway network and the perhaps even greater unmet need for modernization, there is some concern for how one can justify using federal funds for the removal of functioning highway and freeway segments.

Consistency: this would be useful if the RTP is amended to remove or relocate the Eastbank Freeway (I-5). Federal support is more likely for an approach that replaces the current function than completely removes a freeway with no attention to replacement.

i) Improved Transportation Security.

Background: Following the terrorist attacks of September 11, Congress created a new Transportation Security Administration and Office of Homeland Security to develop and coordinate a comprehensive national strategy to strengthen against terrorist attacks and protect the Nation's transportation systems to ensure freedom of movement for people and commerce.

Analysis: Among the activities that will be worked on in the coming months with state and local agencies are: Incident management, prevention, and response and recovery. For all of these activities, good communications is critical. Transportation agencies play an important role in responding to incidents and ensuring the free movement of people and goods. In the Portland region, an interagency group has identified a series of Intelligent Transportation System (ITS) improvements that will enhance the capability of different government agencies to communicate with one another and share information.

Policy Proposal: Federal funding dedicated to improving security should include transportation improvements in Oregon:

- Fully fund the state's ITS initiative, which includes the Portland region's ITS plan providing greater ability for surveillance and response to emergencies.
- Pay for "hardening" and other improvements to bridges or other potentially vulnerable points in the transportation system.

Consistency: although security is not directly addressed in the RTP, increased attention will no doubt lead to higher costs.

3) Multi-Modal Policy Issues

a) Expanded funding to address endangered species issues.

Background: New restrictions and capital requirements resulting from Endangered Species Act (ESA) designations and other federal natural resource protection requirements are substantially increasing the cost of transportation infrastructure construction and maintenance particularly for bridges. Ditches and culverts are no longer viewed simply as a means of conveying water; they are also water quality facilities and either barriers or facilitators of fish migratory movements. Any improvements made within our public rights-of-way must enhance habitat and water quality. The ESA and Clean Water Act (CWA) provide no funding for the required system improvements.

For example, Clackamas County estimated that there are 975 culverts that are barriers to fish migration and salmon-recovery efforts. Many of these culverts have to be replaced or retrofitted with baffles to slow water flow allowing for passage of all life stages of salmonids. Using an average cost estimated of \$93,000 per culvert replacement, retrofitting all the culverts in the county would cost \$80-90 million.

Analysis: Over 20 federal statutes impose a variety of environmental mandates on the construction, repair, and maintenance activities undertaken within the federal highway system. A 1995 analysis estimated that added costs due to environmental regulation could be 8 to 10 percent of construction expenditures for federal-aid highway projects. While restrictions are less on state and local roads they are nonetheless considerable.

Multiple environmental benefits can be achieved from conforming road and other transportation projects with ESA requirements. These benefits accrue to the community beyond the transportation benefit in the form of cleaner water, reduced flooding, reduced pollution from urban run off, etc. The cost of providing these additional benefits should be shared beyond the transportation resources.

Policy Proposal: TEA-21 reauthorization could provide a new program significantly expand the existing bridge replacement program to address culverts, blocking fish passage or create an add-on to the Public Lands Highway Program for culverts.

Consistency: the RTP was recently amended to include provisions for "Green Streets" including retrofitting culverts to allow better fish passage. This would provide funding for this purpose.

b) Funding Allocation Issues.

Background: With the 2000 Census, there will be a significant increase in the urbanized areas of the country receiving formula allocation of federal transportation planning funds. As many as one hundred new MPOs will be designated in the new bill. In Oregon, two additional MPOs are being formed in Medford and Corvallis. The new MPOs will receive allocations of federal STP and CMAQ funds without reducing the allocations to the existing MPOs regardless of overall federal funding levels. However, unless federal funding increases in the reauthorization, transportation planning fund distributions to the new MPOs will reduce the funding available for existing MPOs.

Policy Proposal:

- (a) FHWA Planning funds should be increased from 1- percent take-down to a 2 percent take-down on the categorical programs to reflect the increasing responsibility of MPOs, the increased number of MPOs as a result of population growth and the increased population inside existing MPOs.
- (b) FTA planning funds should be increased commensurate with population growth inside MPOs.

Consistency: this would allow funding to address transportation planning issues consistent with annual approval of the United Work Program.

c) Refocusing of TCSP program.

Background: The Transportation and Community and Systems Preservation Program (TCSP) began as a targeted \$25 million program in TEA-21. It has since been expanded through the earmarking process into \$250 million program that has drifted significantly from its original purpose. TCSP was established to investigate and address the relationships between transportation and community and system preservation and to identify private sector-based initiatives.

Although any project authorized under Title 23 or chapter 53 of Title 49 U.S.C. was made eligible, it was expected that the program would focus on corridor preservation activities necessary to implement transit oriented development plans, traffic calming measures, or other coordinated preservation practices.

Policy Proposal: Recommended changes include:

- (a) FHWA and FTA should continue to develop guidance for projects to be funded through the program.
- (b) Publish "best practices" from funded projects. Congress should increase the authorized level of the program to \$250 million, comparable to the FY 2003 appropriations.
- (c) Tighten up statutory language to ensure grants cannot be awarded unless they demonstrate a supportive land use benefit.
- (d) Require an evaluation of the merits of the proposed projects by the Federal Highway Administration and approve funding based upon an evaluation of "Highly Recommended," "Recommended" or "Not Recommended." This should be designed to ensure good projects are recommended for funding, although in a more streamlined manner than the large multi-year contracts under the New Starts and National Trade Corridor Programs.

Consistency: the TCSP program was designed to recognize efforts like ours to link transportation and land use. However, due to congressional earmarking, we have been unable to access these funds since the first year grant to Pleasant Valley planning.

d) Statewide and MPO bicycle program that addresses bicycle travel planning, operations and safety.

Background: Enact a required statewide and MPO bicycle program that addresses bicycle travel planning, operations, safety, and capital construction. The program would also require of the highway, transit, rail, and air programs that bicycle plans resulting

from this initiative be included in an intermodal connection investment strategy required of all modes. The safety program would address a range of issues from integration of auto and bicycle travel to in-school safety training and identification of safe routes to schools for all grade levels. Funding for this requirement would come, in part, from the highway trust fund and could require coordination between school and transportation authorities.

Consistency: this would affect planning requirements and expand the scope of bicycle-related planning.

- e) **Renew federal support to capitalize State Infrastructure Banks (SIBs), expand flexibility of second-generation funds.**

Background: State Infrastructure Banks were authorized in ISTEA as a revolving source of funds for both highway and transit capital improvements. As an original pilot State Infrastructure Bank, Oregon was allowed to capitalize its SIB with federal apportionments. At that time, it was thought that loan funds repaid to the SIB, regardless of source – federal or state – could be reloaned without federal conditions, such as Buy America or Davis-Bacon. TEA-21 altered this. Only four named states are now allowed to capitalize their SIB's with federal funds.

Analysis: The limitations included in TEA-21 have a limiting effect on the size of Oregon's SIB and, by extension, the size of projects the bank can finance at low interest rates.

Policy Proposal: Lift the limitation on SIB capitalization. Consider changes that allow greater flexibility of reloaned funds.

Consistency: this would expand this borrowing option for implementation of RTP projects. All projects have a prerequisite that they be reflected in the RTP.

- f) **Columbia River channel deepening project**

Background: The Port of Portland is pursuing a project sponsored by the Corps of Engineers and six Oregon and Washington ports to deepen the Columbia River navigation channel from 40 to 43 feet, subject to the necessary environmental approvals. A deeper navigation channel will enable cargo ships to carry larger, more cost-effective loads, yielding significant transportation savings to thousands of shippers in the Pacific Northwest and elsewhere in the United States. The project also includes several environmental features that will improve the Columbia River's habitat and environmental quality.

Analysis: Although it is not been addressed in the TEA-21 reauthorization bill, the channel-deepening project continues to be an important transportation priority for the region.

Policy Position: Support the channel-deepening project, subject to the necessary environmental approvals.

Consistency: *this reaffirms past positions.*

g) Railroad shared use requirements

Background: Current federal regulations regarding shared use of tracks between freight and passenger rail operations are intended to address safety concerns. However, as currently structured, the regulations pose a significant obstacle to the efficient use of these valuable resources. The Federal Railroad Administration (FRA) model emphasizes train crash standards and prohibitions against operating freight and passenger trains together. Other models for preserving safety while allowing shared use are used in Europe where technology is emphasized.

Analysis: The European approach to track sharing regulations emphasizes improved signaling and braking systems to avoid crashes in the first place. European standards deflect the energy of a crash away from passengers, and emphasize braking systems, block signaling systems, speed limits where appropriate, and crumple zones to allow passenger vehicles to absorb the brunt of an impact while protecting passengers and drivers. In comparison, FRA's vehicle safety standards do not speak to locomotive braking, train signaling systems, or speed limits. New authority is needed to facilitate the rules and procedures for permitting shared use of freight rail tracks by Amtrak and commuter rail projects.

Policy Proposal: Support increased funding for the Section 130 grade separation program to enhance public safety at grade crossings on public highways. Encourage FRA to examine European models of freight/passenger train control and approve pilot projects to demonstrate the technology-based approach.

Consistency: *this would facilitate the Washington County commuter rail project and any future similar projects.*

h) Streetcar Initiatives

Background: Many communities are expressing an interest in small scale rail based transit lines to serve redeveloping central city areas and connect neighborhoods in a way that is very different from regional rail systems. The existing federal assistance program, Federal Transit Section 5309 "New Starts," is oversubscribed and is governed by an extensive review and approval process that is not necessary or appropriate for low cost and non-intrusive urban streetcar lines.

Until the 1950's, many communities had extensive streetcar systems which served to connect neighborhoods to central city employment, shopping and cultural opportunities. As heavy industry migrates from the central city, major opportunities are created to foster

the development of new, high-density urban neighborhoods. The creation of additional housing in the central city is a key transportation and economic strategy. By absorbing population growth in the central city, valuable farm and forest lands are preserved, the distances that people must travel for employment and other daily needs are greatly shortened, and the environmentally and fiscally costly expansion of the urban interstate highway system can be avoided.

Streetcar Characteristics: By definition, streetcars operate in existing public rights of way, often co-mingled with other traffic. Unlike regional light rail projects that connect major centers over long distances, streetcars connect redeveloping neighborhoods and major attractions over relatively short distances. Streetcars typically operate at lower speeds with more frequent stops to serve a dense mixed-use environment. For this reason the vehicles rely more heavily on operator control than complex technological systems. The vehicles' size and scale are respectful of the neighborhood settings in which they operate. Installation of a streetcar line is accomplished with minimal reconstruction within existing streets or rights of way.

Analysis: New resources are needed to aid communities in building modern streetcar lines that provide residents and visitors of the central city with a choice in how they move about. For example, a new Portland streetcar line opened in July 2001, demonstrating the ability to capitalize on lower project cost, a minimally disruptive construction process and the opportunity to attract complimentary, mixed-use urban development. The purpose of this proposal is to set forth the context for a new that would assist communities in developing streetcar lines and systems without competing with larger scale, more costly regional fixed guideway projects.

Policy Proposal:

- (a) **New Funding Program:** The region supports the creation of a new streetcar-funding category with added funds. Legislative action to limit the propagation of regulations from the executive branch, limit to the degree possible and responsible NEPA requirements through an umbrella categorical exclusion, authorization for the Secretary to execute full funding grant agreements and such other changes in existing code and regulation as may be required to implement this program.
- (b) **Project Evaluation Criteria:** A new set of project evaluation criteria should be established that is more appropriate to streetcar projects.

Projects should be reviewed solely against the following standards:

- Streetcar projects are intended to be economical and the maximum federal participation should be limited to \$50 million.
- Project sponsors may be transit properties or other units of local general-purpose government.
- The maximum federal share should be limited fifty percent of total project cost. In addition, streetcar projects should require the financial participation in project construction of the owners of real property abutting

the alignment excluding owner occupied residential properties. Property owner participation should be required to ensure that the project recovers a portion of enhanced property values. Property owner participation should have a floor of 10% of construction cost.

- Streetcar projects should demonstrate the availability of development/redevelopment opportunities and complimentary land use policies in close proximity to the alignment. Projects must demonstrate that property zoned to accommodate mixed-use development is available adjacent the alignment.
- Streetcar projects should demonstrate how redeveloping or new neighborhoods on vacant or underutilized land will be connected to each other or major attractors in the central city and with major regional transit services.
 - Project sponsors must provide a detailed operating plan including frequency of service, hours of operation, and stop locations and demonstrate the financial capacity to operate the line.
 - Create under the Federal Housing Act authority for the Department of Housing and Urban Development to contract with urban communities to fund the construction of urban fixed guideways that support the development of housing and the re-development of housing in urban areas by the use of streetcar technology.
 - The projects approved for HUD funding would be ranked according to their support of urban densities and other urban livability criteria. They would not be expected to meet traditional ridership thresholds suggested by USDOT-FTA standards. These projects would be eligible to receive up to \$25 million in FTA Sec. 5309 New Start construction funds regardless of the level of HUD support. They would not be required to meet DOT New Start criteria, and would be exempt from DOT ranking.

Consistency: expansion of the streetcar system is reflected to a limited extent in the RTP but not with federal funds. In addition, MTIP funding has been allocated to define the transit and bike improvement strategy in the Willamette Shore Corridor to Lake Oswego where a streetcar option would be examined. Creation of a “small starts” federal funding category would facilitate. However, it is not clear that the region should support a “Small Starts” program unless there is significant increases to the “New Starts” program.

4) Technical Issues.

a) Shift PMO funding to FTA wide rather than on project-by-project basis.

Currently Project Management Oversight, FTAs mandated outside project review consultant, is paid out of project appropriations. Often this means that projects receive

less funding than expected based on the congressional appropriation for a given year. This can cause troubling adjustments in budget, expenditure and borrowing. PMO work supports the oversight function of and mandate of the FTA and should be funded out of the agency's budget rather than project-by-project.

Consistency: this would increase the efficiency of delivering certain RTP projects.

b) Buy America.

Instead of having the Transit Agencies certify that the products that they meet Buy America, the Bus/Rail manufacturers could certify that the product that they sell meets Buy America. Each manufacturer does the initial work any way, so having the Transit Agency be responsible for certification makes little sense and costs the federal government a lot of money as each transit agency buying vehicles must audit and do the work for the certification. It is mostly the pre-award audit that is costly to the Transit Agencies - the post award, including buy inspections, makes sense for the transit agency to perform from a quality control perspective.

Consistency: this would increase the efficiency of delivering certain RTP projects.

c) Review of 12-year life for buses.

Currently, FTA prohibits using federal funds to replace buses less than 12 years old. This requirement does not recognize evolving technology nor does it take into consideration the use of the bus during the 12 years.

When a transit agency tries to participate in forwarding new technology, often the first generation of that technology does not produce the results necessary to maintain operations. Our LNG fleet is good examples. These are 1st Generation LNG buses, which after 8-9 years do not run and we have been unable to get replacement parts as the technology as evolved. They are still listed as 12-year buses and unless we get a waiver from the FTA for both the 12-year life and the pay back for short life, we are on the line for a lot of money to go back to the FTA. This discourages transit agencies from participating in new technology.

Different operating environments age buses in different ways. A small transit agency may only run a bus 25,000 miles per year, 8 hours per day, 5 days per week. We run buses 50,000 miles per year, 20 hours a day, 7 days per week. A more accurate bus life measure would be miles, or hours - or any measure that took in account actual use.

Consistency: this would increase the efficiency of delivering certain RTP projects.

d) Excess property.

On projects, other than Westside Light Rail, for which Tri-Met was given a blanket permission to sell excess property, agencies usually have to go through a lengthy Federal process to dispose of unneeded property acquired with federal funds. FTA requires that property be posted for acquisition first by other federal agencies, then by other public agencies. The process can take up to a year.

Consistency: this would increase the efficiency of delivering certain RTP projects.

e) FTA concurrence.

Transit agencies are required to get FTA concurrence on the purchase of property over \$250,000; that which is \$50,000 more than appraisal and anytime condemnation is used. All of this takes a great deal of time. FTA will sometimes allow larger transit districts to purchase property without agency concurrence, however the decision is optional and the threshold uncertain. FTA should allow those properties with FFGAs to exercise this discretion on their own since these properties are already under considerable scrutiny by FTA and PMO.

Consistency: this would increase the efficiency of delivering certain RTP projects.

f) FTA oversight.

Oversight could be streamlined. Now we have:

- PMO - project management oversight
- FMO - financial management oversight
- PMO - procurement management oversight
- Rail State Safety (and Security) Oversight
- Triennial Reviews

All the above derive out of the same basic 22 or so FTA certification requirements, but transit agencies are subjected to different audits and different audit teams at different times. So it would be less onerous if FTA consolidated the oversight audits, audit teams, and rationalized the schedule/periodicity and relationship among the oversight reviews. At a minimum there could be 3 teams: PMO (project), State Rail Safety, and Triennial. The first two would be continuing and the latter every 3 years.

Consistency: this would increase the efficiency of delivering certain RTP projects.

g) OMB leveling the playing field.

Many of the differences between FTA and FHWA are rooted in the OMB circulars regarding the differences in the clients served. FHWA primarily deals with states that are considered to have their own constitutional authority and established procedures regarding financial and legal accountability. Transit agencies, cities, and metropolitan areas have lesser status in the view of OMB, largely deriving their authority from states.

OMB requires more scrutiny by the federal departments administering funds to subdivisions of a state. Reducing oversight where it is not needed, such as where jurisdictions can show a consistent record of sound management of federal funds, would reduce costs and unnecessary delay in project implementation.

Consistency: this would increase the efficiency of delivering certain RTP projects.

5) University Transportation Research Centers

Request: Support enhancement of the Federal University Transportation Centers as part of the reauthorization of the transportation bill.

Background: Congress first authorized the creation of University Transportation Centers as part of the Surface Transportation and Uniform Relocation Act of 1987. This initial legislation authorized 10 centers to coincide with the Federal regions. The University Transportation Centers were again reauthorized in ISTEA and TEA-21. Currently TEA-21 authorizes \$158.8 million for grants to 33 centers (regionally designated centers and congressionally specified centers). Research funded through the Centers requires a 50-50 match and is required to meet peer-review standards; in other words, the research done is not opinion or advocacy research.

The Centers designated as “regional centers” are also called Category A centers in the TEA-21 and receive \$1 million per year for research. The level of annual funding for Regional Centers has not changed since 1987, and a variable obligation limit ceiling has reduced current funding to \$870,000. The Congressionally mandated centers fall into three categories:

Category B: Received \$300,000 in 1998 & 1999 and \$500,000 for 2000 & 2001 *There is authorized a limited competition with Category C for the fifth and sixth years
Assumption College, Purdue University, Rutgers University, South Carolina State University, University of Central Florida, University of Denver and Mississippi State University, and University of Southern California and Cal State University Long Beach

Category C: Received \$750,000 for years of 1998 through 2001 *There is authorized a limited competition with Category B for the fifth and sixth years
Morgan State University, New Jersey Institute of Technology, North Carolina A & T State University, North Carolina State University, San Jose State University, University

of Alabama, University of Arkansas, University of Idaho, and University of South Florida

Category D: Received \$2 million per year from 1998 through 2003

George Mason University with University of Virginia and Virginia Polytechnic Institute and State University, Marshall University, Montana State University, Bozeman, Northwestern University, University of Minnesota, and the University of Rhode Island

Justification and Application to Oregon: Making University Transportation Centers a priority in Oregon's recommendations for policies in the reauthorization of the transportation bill will benefit the state's transportation and planning programs. Other organizations are calling for increased funding for research. For example, the American Road and Transport Builders Association is recommending increasing the regional center authorization from \$10 million per year to \$30 million per year. Currently PSU receives about \$100,000 a year in funding for transportation research through an affiliation with the Region X Center located at the University of Washington. Support for the program, including increased funding, would provide additional research capacity through one of two ways: 1) Funding could be increased for the Regional Centers; or 2) PSU could be authorized as one of the Congressionally mandated centers and receive money directly.

Each Center is required to have a theme that organizes the research done by faculty. PSU's theme would be Advanced Information Technology, Urban Transit, and Livability, Health, and Transportation.

Consistency: as proposed, the Portland State University Transportation Research Center would ensure research is independent and peer reviewed. In addition, an oversight committee, which includes representatives from outside PSU, is proposed. With these provisions, an expanded research capability at PSU would help advance innovative policy directions called for in the RTP.

M E M O R A N D U M

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METRO

DATE: July 31, 2002
TO: JPACT
FROM: Andy Cotugno
SUBJECT: TEA-21 Reauthorization: Summary of Stakeholder Positions

Attached is an analysis of proposals for reauthorization of TEA-21 being advanced by various national interest groups. These proposals are summarized as follows:

Points of Agreement

1. Retain basic flexibility of TEA-21 programs.
2. Do not just add to project eligibility, add to resources for transit, highways, freight, and ITS.
 - a. For highways; spend down the Highway Trust Fund reserves, capture gasohol revenues going to General Fund, and index gas tax.
 - b. For transit – increase from General Fund, any amount over the 80/20 ratio between highway and transit.
3. All modes and types of projects should be eligible for innovative financing techniques.
4. Maintain RABA, firewalls, and funding guarantees.
5. Authorize a study to look at the long term impacts of dependence on a fuel tax
6. Streamline environmental requirements.
7. All transit related organizations would like to see more coordination between human service organizations and transit to serve low-income families accessing work.

Points of Contention

1. **American Road and Transportation Builders Association** would like to see SOV lanes-added capacity-allowed under CMAQ funding, eliminate the “fiscally constrained” requirements under the Clean Air Act for MPO transportation plans, and rename STP to

“State and Local Bridge and Highway Program”. (Suggested \$2 billion less for transit and \$8 billion more for highways than most other proposals)

They have also suggested a dedicated funding mechanism for Amtrak that does not come from the federal highway user fee revenues.

Suggesting a “maintenance of effort” provision that asks states to maintain capital funding at the previous years levels.

2. **Amalgamated Transit Union** proposes a Flexible Incentive Grant Program (FIG) that would allocate flexible funds to states that (1) amend their state constitutions to create a transportation trust fund that distributes transportation dollars to highways and transit; or (2) unlock their existing highway trust funds; or (3) increase the percentage of or level of spending to alternative modes. They would also like to preserve the ratio for transit and highways as 80/20 (AASHTO agrees). And reject any legislation to impose or encourage privatization of public transportation services.
3. **AAHSTO** would like to see Congress promote key defense corridors and increase federal-aid, have Congress allow for a federally chartered Transportation Finance Corporation (TFC) that would sell bonds up to \$60 billion per year over the 6 years, and focus Borders and Corridors on freight corridors only.
4. **Association of American Railroads** would like clarification on whether rail freight is eligible for CMAQ and Borders and Corridors funding.
5. **National League of Cities** is the only one to mention keeping the TCSP program.
6. **Funding proposals were only made by the following and are summarized below:**

Organization	Transit Revenue Increase Existing = \$7.5 billion/year	Highway Revenue Increase Existing = \$34 billion/year
American Public Transportation Association	\$14 billion/year	NA
American Association of State Highway and Transportation Officials	\$10 billion/year or APTA proposal or \$14 billion/year IF the increase does not come from highway side	\$41 billion/year (additionally for freight: \$10 million/year for training and capacity building and \$5-7.5 million/year for research) TFC to raise \$60 billion in bonds retire from an indexed gas tax
Amalgamated Transit Union	\$14.3 billion/year	NA

American Road & Transportation Builders Association	\$8.9 billion/year	\$50 billion/year
Community Transportation Association	<ul style="list-style-type: none"> • New starts and rail modernization programs so that the first year of the program from \$1.2 billion to \$2.3 billion. Eventually, by 2009, the two programs would receive \$5.5 billion in federal capital investment. • Bus and bus facilities program, going from \$607 million in 2003 to \$2.3 billion in 2004 and ending up, by 2009, also at the \$5.5 billion level 	NA

**Regional Discussion Draft
Reauthorization of the
Transportation Equity Act for the 21st Century
(TEA-21)
Portland, Oregon
June 13, 2002**

1) Major Funding & Policy Issues

a) Transportation Funding.

i) Setting the Baseline for TEA-21 Reauthorization.

The Transportation Equity Act for the 21st Century (TEA-21) authorized the Revenue Aligned Budget Authority (RABA) to create a more direct linkage between the revenues coming into the highway Trust Fund and the revenues being appropriated to highway and transit construction. Over the first four years of TEA-21, RABA generated significant increases in federal transportation funding. However, the Administration has proposed a significant cut in RABA funding for FY 2003. Unless funding is restored, the baseline spending level for the reauthorization of TEA-21, and the overall level of funding for the five-year authorization period, could be significantly reduced.

Background: The Administration has proposed a RABA formula allocation in its fiscal 2003 budget to Congress that represented an \$8.6 billion or 27 percent cut from FY 2002 levels. Congress has indicated that it will likely restore a portion of these highway funds, enough to bring FY 2003 highway spending up to the TEA-21 authorized level of \$27.7 billion but well short of the \$31.8 billion FY 2002 level. Restoration is important not only for FY03 programs but because the FY03 funding level could establish the baseline for the TEA-21 reauthorization spending levels.

Oregon receives, on average, 1.2 percent of federal aid highway allocations so the impact on the state of setting the reauthorization baseline at the RABA level versus the authorized level is approximately an additional 14 % or approximately \$50 million per year in additional funds. Over the course of the six-year authorization the difference would amount to more than \$300 million in additional funds if the higher authorization level is achieved.

If the Administration's FY03 budget proposal were to become the new authorization baseline, Oregon could stand to lose approximately \$100 million per year over the FY02 RABA levels or \$600 million over the life of the new authorization.

Policy Proposal: Support restoration of the highway program spending cuts proposed by the Administration. The "baseline" spending levels in the new TEA-21 should not be influenced by the lower levels proposed in the Administration's FY 03 budget.

Restoring the baseline to the TEA-21 authorized level would increase spending by \$4 billion in the first year of the new bill. Restoring funding to the FY02 spending level would increase spending by \$8 billion in the first year of the new bill.

ii) Increase Overall Funding Levels: Additional funding is the most critical issue for the reauthorization of TEA-21.

Background: The overall level of funding for the highway trust fund largely determines the level of funds available for all federally funded transportation programs including highways, bridges, light rail, bus, bike, pedestrian and planning.

TEA-21 Improvements. Federal highway and transit funding increased dramatically under TEA-21. Guaranteed highway funding levels increased 42 percent over the Intermodal Surface Transportation Efficiency Act (ISTEA) levels to \$27 billion. Transit guaranteed levels increased 31 percent. Congress also RABA for the highway program, linking highway spending to trust fund receipts. RABA in particular has generated significantly higher highway funding levels at the national level than would have been available under a fixed authorization formula.

Revenue Aligned Budget Authority. Despite increased funding in TEA-21, needs have continued to outstrip resources because of the aging of the system, increased growth and congestion, growing interest in rail new start projects around the country and the additional cost of responding to new requirements such as the endangered species act. And, although RABA has generated significant additional resources for the highway formula program, recently the appropriations process has varied from the original formula allocation of RABA funds with a few key states receiving earmarks of the full RABA amount. In addition, the interest on the Trust Fund was diverted to the general fund in TEA-21, reducing the available funds significantly.

Inflation. The federal gas tax is a fixed \$18.3 cents per gallon. Because it is not indexed to inflation, each year the federal Highway Trust Fund loses purchasing power in real terms. The national inflation rate for heavy highway construction has averaged (%%) per year over the life of TEA-21.

Ethanol Tax Credit. The federal government supports the ethanol industry with a 5.3 cents per gallon tax credit for "gasohol" which consists of 90 percent gasoline and 10 percent ethanol. With the federal tax incentive, companies that blend ethanol pay a 13 cents per gallon federal excise tax, compared with the standard 18.3 cents per gallon tax on motor fuels.

Additionally, 2.5 cents per gallon of the excise tax on ethanol-blended fuels is diverted to the Treasury's general fund. The highway trust fund receives only 10.5 cents per gallon for each gallon of ethanol-blended gasoline, 7.8 cents less than gasoline. Between fiscal 2000 and 2010 approximately \$15.3 billion will be lost to the highway trust fund due to the ethanol tax credit and diversion to the general fund.

The American Association of State Highway and Transportation Officials (AASHTO) has set a goal of increasing the federal highway program from \$34 billion in fiscal year 2004 to \$41 billion in fiscal year 2009 - an increase of 34 percent. The goal for transit is to see an increase from \$7.5 billion to \$10 billion over six years.

Policy Proposal: Additional funding is necessary to meet the federal and local objectives of the transportation program. There are a number of approaches that could be taken to increase funding. They include:

- (a) Spend the accumulated balances in the Trust Fund. Even though TEA-21 largely eliminated the accumulation of trust fund balances, there are currently \$_____ in unspent reserves.
- (b) Return RABA generated funds to the state formula allocation. Eliminating earmarking would have resulted in an additional \$1 billion in formula highway funds in FY 02 distributed to the states by formula.
- (c) Use general fund dollars to compensate the Trust Fund for the lower tax rate on ethanol. The ethanol tax credit costs the Trust Fund approximately \$1.5 billion per year.
- (d) Rededicate interest payments currently going to the general fund to the Highway Trust Fund. Reallocation of these funds would generate an additional \$_____ per year.
- (e) Index the federal gas tax to reflect inflation.

iii) Oregon Highway Formula Allocation: Oregon won a significant victory in TEA-21, changing the national formula to return more federal tax dollars to Oregon.

Background: Oregon won a major victory in TEA-21 with the passage of a highway allocation formula that boosted the state's allocation from \$0.89 returned to the state for each \$1.00 of tax paid to \$0.94 cents returned for each \$1.00 paid. The highway allocation formula is critical to the state, local governments, transit districts, and the region because it dictates the amount of funding that is available for planning, air quality improvement, bicycle and pedestrian facilities as well as highway and bridge repair and construction.

Analysis: Next to the overall level of highway trust fund revenues, the allocation formula is the most important factor in determining the amount of federal highway, STP, CMAQ and other transportation funding received by the state. A small change in the formula translates into tens of millions in additional funds allocated to the state. Allocations are based in part on Census data. In past years, the most recent Census data has not always been used, even when available. This has disadvantaged high population growth states and geographic regions.

Policy Proposal:

- (a) Support the state's efforts to secure its fair share of federal Highway Trust Fund allocations and improve its position even further in the upcoming reauthorization.
- (b) Oppose further suballocations of the trust fund. Suballocations actually reduce the flexibility of federal transportation dollars, rather than increasing flexibility as envisioned in ISTEA and TEA-21.
- (c) Congress should require use of the 2000 census wherever the law calls for population in its federal formula programs. If the 2000 census is not available, under no circumstances should data acquired before the 1990 census is used.

iv) Maintain firewalls and funding guarantees.

Background: Prior to TEA-21, Highway Trust Fund dollars were counted as part of the overall federal budget. Transportation was forced to compete against other federal programs for funding. This resulted in years of under-investment in transportation while at the same time unspent Trust Fund balances ballooned. TEA-21 restored the integrity of the Trust Fund and guarantees that all of its revenues will be spent on transportation.

TEA-21's Revenue Aligned Budget Authority (RABA) provisions have generated significant resources for the highway program. RABA funds are allocated to states based on TEA-21's highway allocation formula. Recently, however, the appropriations process has earmarked funds rather than follow the formula approach.

Analysis: Guaranteed funding for highway and transit programs has provided much needed stability of funding levels, allowing for longer range planning and investment strategies and multi-year federal commitments.

Policy Proposal:

- (a) Support maintaining firewalls that separate the Trust Fund from the unified budget.
- (b) Support continuation of guaranteed funding for highway and transit programs.
- (c) Work to sustain RABA and its formula allocation approach in the next bill, ensuring that Trust Fund balances do not accumulate.
- (d) Support the current ratio between the highway and transit accounts of the Trust Fund.

v) Additional funding for New Starts.

Background: Since the construction of the original eastside MAX light rail project, the Portland region has received more than \$1 billion in New Starts funding. The

region has become a national model for using the development of light rail projects to respond to growth, congestion and regional land use and development goals.

Our success has spurred other communities to pursue light rail initiatives of their own. Currently there are 11 projects in Final Design and 39 in Preliminary Engineering. The projects will likely seek a total of \$21.1 billion in TEA-21 authority.

The national growth in proposed New Starts projects has raised congressional attention and support for the program. TEA-21 increased the authorized funding available for the New Starts program from \$760 million in FY1998 to \$1.2 billion in FY2003.

Analysis: While funding has increased, the New Starts program is under intense pressure to respond to a growing number of candidate projects across the country. The most optimistic assumptions for the program call for spending approximately \$10 billion over the next authorization period.

It is a very high priority for the region that the New Starts program remains and increases in funding level.

Current regional priorities for funding from the New Starts Program are:

- to complete appropriations toward the FFGA for Interstate MAX;
- execute an FFGA for Wilsonville to Beaverton Commuter Rail and complete appropriations;
- obtain authorization for the South Corridor project; execute an FFGA and complete appropriations.

Taking a longer-term view, future priorities for New Start funding need to be sorted out. Based upon past funding actions of JPACT, consideration should be given to:

- beginning the Clark County loop connecting Interstate MAX and airport MAX;
- the downtown Portland Transit Mall alignment for MAX;
- extension of the Portland Streetcar into North Macadam and along the Willamette Shore route to Lake Oswego.

Policy Proposal: Support a significant increase in federal New Starts funding to respond to the national demand for New Starts projects and to enable the region to pursue its anticipated fixed guideway initiatives. Any increase in funding for the transit program should concentrate on the New Starts program. Increased funding could come from sources noted above. Maintain current non-federal match requirements in statute and FTA flexibility in applying match requirements.

b) Major Policy Issues

i) Maintain or expand flexible and progressive policies in ISTEA and TEA-21.

Background: ISTEA's groundbreaking achievement was increasing the flexibility of federal transportation funds with the implementation of the STP, CMAQ and Enhancements programs. In addition ISTEA allowed states and local governments greater ability to tailor their transportation programs to reflect their individual goals and needs, while contributing to the development of a national intermodal transportation system.

TEA-21 maintained the flexible transportation funding structures of TEA-21 and implemented new programs such as TCSP that allowed even greater flexibility.

Analysis: The Portland region has used the flexibility of the federal transportation funding programs authorized in TEA-21 to shape transportation solutions that work for our cities and neighborhoods. The region has succeeded in increasing transit use at a rate faster than population or VMT growth. The result is one of the most livable communities in the country.

Policy Proposal: Urge Congress to maintain the flexible funding structure of TEA-21 and improve programs such as TCSP so they can fulfill their original mission (see TCSP section _____).

ii) Intermodal connectors and freight facilities:

Background: One of the greatest achievements of ISTEA was its emphasis on intermodalism. TEA-21 continued the ISTEA focus on intermodalism and the result has been a more flexible, efficient and integrated transportation system. In particular, ISTEA and TEA-21 allowed greater flexibility in addressing freight mobility issues, an area that had received relatively little attention in federal funding programs previously.

The NHS Intermodal Freight Connectors report sent to Congress documents the fact that NHS freight road segments are in worse condition and receive less funding than other NHS routes. Targeted investment in these "last mile" segments would reap significant economic benefits relative to the costs.

Analysis: TEA-21's focus on intermodalism was a move in the right direction. However, the region's experience over the past six years has indicated areas of potential improvement. For example, there remain a number of limitations on the kinds of freight projects that can receive federal dollars that limit the region's ability to respond to regional priorities.

Policy Proposal:

- (a) The Borders and Corridors program should be amended to focus greater resources on a few strategic freight corridors, like Interstate 5, which connect the United States, Mexico and Canada. An emphasis should be placed on projects that improve the movement of freight. The program's authorization level should be increased.
- (b) Congress should clarify the eligibility of freight rail and road projects for CMAQ funding.
- (c) Congress should consider transferring the 4.3-cent tax on railroad diesel fuel from the General Fund to the Highway Trust Fund to provide resources for expanded freight railroad project eligibility.
- (d) Congress should encourage the creation of a Freight Advisory Group -- a mechanism for communicating with one voice to "one DOT" on freight transportation issues.
- (e) A Freight Transportation Cooperative Research Program should be created.
- (f) Congress should enhance the use of Transportation Infrastructure Financing Innovation Authority (TIFIA) (a credit enhancement program) by lowering the project dollar threshold from \$100 million, changing the debt mechanisms from taxable to tax-free, expanding eligibility for freight projects and relaxing repayment requirements; allow pooling of modal funds; expand the State infrastructure Bank program to all states; create tax incentives for freight rail and intermodal infrastructure investment.

iii) Oppose devolution or formularizing of transit discretionary grant program.

Background: During the TEA-21 authorization debate a proposal was surfaced in Congress to eliminate the discretionary transit program that allocates funds to a select group of project based on merit (including New Starts), in favor of a formula program that allocates funds based on population.

Analysis: The region opposed devolution or formularizing of the New Starts program during TEA-21 because the current discretionary grant process ensures high quality projects of a scale sufficient to address major transportation corridors. Formularizing funding would mean each state would receive only a relatively small stream of funds, making the construction of large rail projects with federal funds nearly impossible. Regions with superior projects, such as Portland, would receive no additional funding relative to region's pursuing less meritorious projects.

Policy Proposal: Continue to vigorously oppose devolution or formularization proposals.

2) New Initiatives and Concepts

A number of new initiatives are being debated and analyzed at the national level. Pending the outcome of national developments, the region has not taken a firm position on a number of these concepts. These initiatives and concepts are outlined here in order for the region to be fully informed on the national level debate on TEA-21 policy.

a) Key Transit Policy Issues

i) Balancing Additional New Starts funding.

The region recognizes that attention needs to be given to the needs of existing rail systems to add to their core system capacity. Projects that will make better use of existing infrastructure can offer a cost-effective approach to build transit ridership. This region expects to be able to benefit from such investment in future years. We believe that, consistent with the priority we place on the New Starts program, some of the growth in transit spending above current levels could be devoted to addressing “core capacity” needs.

The top priority of the region is to increase funding for the New Starts program. At the same time, the region continues to support the existing balance at the federal level between New Starts, Rail Modernization and Bus Facilities programs. It will be important to monitor proposals for an added “core capacity” program to determine whether to support it.

ii) Full Funding Grant Agreements for TOD and BRT.

Background: There are a set of important regional TOD, TSM and BRT projects that are often times too small to merit a FFGA for tens of millions in federal participation and too big to be funded in one or two years of the typical one to three-million dollar federal bus discretionary earmark. Transit agencies do not have the capability to carry the financing or the risk of advancing local funds to these projects in anticipation of future federal appropriations.

Analysis: There are some BRT or TSM projects in the new start pipeline, but none have actually received an FFGA. Many TOD and TSM projects leverage additional ridership, leverage positive land use patterns around transit stations and generally add value to fixed guideway improvements. At the same time, they do not generally lend themselves to the typical measures used by the FTA in evaluating FFGAs.

Over the course of TEA-21, Congress has moved increasingly to earmarking the FTA bus and bus facilities funds. Unlike the New Starts program, these earmarked projects receive no FTA evaluation or rating prior to congressional funding decisions.

Policy Proposal: To facilitate the development of these projects, which are generally cheaper options, they should be made eligible for FFGAs out of the existing bus program. The FFGAs should undergo FTA review for technical and financial feasibility and transportation benefit but the review should not be as resource demanding as the New Starts program. This would have the effect of returning at least a part of the bus program to a merit-based allocation.

iii) Streamline Project Delivery.

Background: The design build project delivery method has several advantages over the traditional design-bid-build method. Design build projects bring the architect/engineer and the general contractor together into a single contract entity. The resulting partnership enhances communication between the parties and neutralizes their competing and sometimes adversarial business roles. Further, the owner is relieved of its “go-between” role for design/construction coordination matters since this risk is shifted to the design build contractor.

Design build often results in time savings for overall project delivery compared to the traditional method. Time savings are possible due to the ability of the design build team to begin early phases of construction while design is being completed for later phases.

Design build can sometimes yield significant cost savings, particularly in situations where flexibility in the finished product is possible. In such cases, collaboration between the designer and contractor can achieve the most efficient balance of design choices and construction methods.

Tri-Met Experience. Tri-Met has had several positive experiences with design build project delivery. Of particular note is the Portland Airport Light Rail Extension. That project used a single design build contractor for the entire project. The design build contractor was brought into the project very early in the project life, participating in Preliminary Engineering (PE) work prior to final contract negotiations and final design & construction. In fact, the design build contractor was also an equity partner in the project, providing capital funding in exchange for development rights in publicly owned property surrounding a portion of the alignment. By using the design build method, Tri-Met acquired an excellent system extension and experienced the remarkably low change order percentage of 1.5 percent.

Design build in TEA-21. Design build was introduced to the transit industry in the ISTEA Act of 1991. Several demonstration projects were established to explore this delivery method in actual transit practice, and the demonstrations were carried through into TEA-21. Results of the demonstration projects were published in a report to Congress in 1998.

In 2000, FTA released interim guidance on how the existing FFGA process steps should be applied to projects using the design build delivery method. Although the guidance was a beneficial step forward in integrating design build into the New Starts environment, additional changes in the FFGA process could render even greater benefits from design build. Reauthorization of TEA-21 may provide an excellent opportunity to do this.

Analysis. The FFGA process for design build outlined in the current guidance is very similar to the process for the traditional delivery method. It is structured to bring the design build contractor into the project at the time a traditional final design would

begin. This sequence allows the existing legal and administrative requirements to be applied to design build. However, introduction of the design build contractor at the time of final design is too late to leverage much of the potential benefit of the design build method.

To gain the maximum benefit of design build for transit projects, it is desirable to bring the design build team into the process very early in the project life. It is beneficial for the design build team to participate in PE, prior to development of documents for NEPA approval. This early involvement allows the design build team to influence the alignment layout and station area development to optimize cost, constructibility, ridership, and joint development opportunities. Early participation in joint development opportunities is especially important in order to promote equity partnership from the design build team.

Policy Proposal: Utilizing such early involvement, a revised FFGA process could be as follows:

- (a) *Alternatives Analysis*, including selection of the Locally Preferred Alternative, would be conducted in the usual manner by the sponsor Agency and MPO.
- (b) The Agency would submit to FTA a *Request to Enter Design Development*. This would be similar to a Request to Enter PE and would contain the same information and criteria evaluation/requirements. It would differ, however, in that Design Development authority would encompass both PE and a pre-determined portion of Final Design (perhaps to the 30% level). Combined PE/partial FD recognizes the lack of hard edges between PE and FD in design build and thus eliminates the separate steps of PE/Final Design approval.
- (c) *Upon approval to enter Design Development*, the Agency would execute a two-phase contract with a design-builder. Phase 1 would be for Design Development/NEPA support and Phase 2 would encompass Design Completion/Construction. Solicitations for interested proposers could be initiated concurrently with Step 2 above. Even at this early stage, real financial competition can be generated from proposers through their commitments on:
 - equity investment for property development rights
 - fee percentage on final design & construction
 - incentives for “beating the budget”
 - sharing of unused construction contingency
 - tax incentive rebate from vehicle leasing mechanisms.
- (d) *During Design Development*, the design build would assess the LPA, influence the concept where appropriate, provide support for NEPA documentation, conduct detail design on key issues/areas, and develop a cost estimate for final (production) design and construction. Meanwhile, the agency would lead the NEPA approval effort, solidify local funding (including design build equity partnership, if included) and prepare PMP, Fleet Plans, and other documents. The Agency and the design build would

negotiate a firm price for the second phase (design/construction) based on the results of Phase 1 efforts.

- (e) Design Development would conclude with *submission of a request for an FFGA*. During the 120-day review process, the design build could proceed with detail design, ROW acquisition and even early construction activities under LONP authority.
- (f) Once the *FFGA is approved*, the design build contract's Phase 2 work would be authorized, and final design/construction completed.

The alternate scenario provides for an extremely effective alliance between the Agency, designer, and builder. It recognizes that in the design build process, lines between PE and FD are blurred. PE resources are devoted to issues that harbor the greatest risks and rewards. Further, it is the builder itself who decides where the pressure points are, leading to fewer surprises, lower contingencies, and quantifiable risks. Those risks that remain can be discussed and apportioned between Agency and design build and addressed in the terms of the negotiated price.

Conclusion: The current guidance on use of design build contractors for transit construction is a good first step. In cases where there is little possibility for alignment deviation or Joint Development, PE and Final Design can remain separated and the guidance can be followed.

The alternate process described above facilitates even greater benefit from design build by bringing the builder into the process early, thus gaining the benefit of engineering, construction and commercial knowledge before alignment decisions are fixed. The preferences revealed reflect the unique approach of the specific design build team. Further, their vested interest in the construction and operational phases ensures that their ideas are realistic and pragmatic, and endows the design build team with a fiduciary interest in making them work.

b) Environmental stewardship and streamlining.

Background: The National Environmental Policy Act (NEPA) process for large, complex projects has become increasingly lengthy and complex. Listings under the Endangered Species Act (ESA) are impacting not only large construction projects, but also routine preservation and maintenance activities. Previous efforts to streamline the environmental review of transportation projects, including those in TEA-21, have yielded some results, but significant issues remain.

Analysis: In response to Section 1309 of TEA-21, ODOT has developed and implemented a coordinated review process for highway construction projects. This improved method for state and federal permitting agencies to review highway projects is up and running in Oregon. Known as "CETAS" (Collaborative Environmental and Transportation Agreement on Streamlining), it establishes a working relationship between ODOT and ten state and federal transportation, natural and cultural resource

and land use planning agencies. The CETAS partnership has defined how to streamline (in six tasks):

Implement an Environmental Management System to achieve performance based permitting:

- Employ Habitat Mitigation Programs;
- Enlarge GIS Mapping Systems of Natural and Cultural Resources;
- Additional Programmatic Biological Opinions (PBOs);
- Seamless Performance of contractors and local governments;
- Expand Partnerships.

Policy Proposal: Congress should support state-led efforts to both protect the environment and streamline the review process for transportation projects by:

- Providing increased funding to state departments of transportation and resource agencies to develop new programmatic approaches.
- Funding a pilot project for ODOT to demonstrate the benefits of implementing an Environmental Management System culminating in ISO 14001 certification.
- Providing resources for Global Information Systems (GIS) mapping of natural and cultural resources.
- Sanctioning advanced wetland and conservation banking for transportation projects.

c) Key Highway Policy Issues

i) Additional resources for the I-5 Trade Corridor.

Background: Interstate 5 (I-5) in Oregon, Washington and California is one of 12 high priority corridors identified in TEA-21. One-fourth of the nation's exports and imports pass through the I-5 corridor.

The area between the I-84 interchange in Oregon and the I-205 interchange in Washington has been identified as having significant bottlenecks that threaten the economic vitality and livability of the region.

The Governors of Oregon and Washington have appointed a 28-member Task Force to develop a bi-state strategic plan to manage and improve transportation and freight mobility in the corridor.

The strategic plan will address freeway, transit, heavy rail, and arterial street needs. The public planning process started in January 2001 and the strategic plan is expected to be complete by the fall of 2002. Partners in this effort include Oregon and Washington Departments of Transportation, Metro, Southwest Washington Regional Transportation Council, the ports of Portland and Vancouver, the cities of Portland and Vancouver, and Multnomah and Clark counties.

Work by the Task Force in the spring of 2002 will include development of recommendations on finance and implementation, bi-state land use agreements, transportation demand management, community enhancements and environmental justice, and freight and passenger rail.

Analysis: The bi-state strategic plan will address freeway, transit, heavy rail, and arterial needs. The public planning process started in January 2001 and the strategic plan is expected to be complete by the fall of 2002.

Draft Recommendations recently adopted by the Task Force call for:

- Upgrade existing bridges from 6 to 10 lanes across the Columbia River.
- A phased extension of the two existing light rail lines in Portland north to connect as a loop in Clark County
- Implementation of aggressive measures to reduce single auto trip demand, increase transit service and encourage use of alternatives to auto commuting
- Agreement to control land uses to avoid inducing more sprawl in response to a bigger freeway to simply result in a bigger traffic jam in the future.
- Three through-lanes, including Delta Park; and
- Interchange improvements between Columbia Blvd. in Portland and SR 500 in Vancouver.

The Task Force draft recommendations also call for a post-Task Force study of an arterial road west of I-5 in the vicinity of the railroad bridge.

Policy Proposal:

- (a) Supports the state's efforts to eliminate bottlenecks in the I-5 Trade Corridor, especially between Portland and Vancouver, Washington.
- (b) Support continuation of TEA-21's Borders and Corridors program at a higher funding level and with a greater focus of funding to key corridors, like the I-5 Trade Corridor, which are true national freight corridors.
- (c) Support to a least \$1 billion increase of funds for the Border and Corridor program, expand the concept to include projects that support gateways to national and international markets and focus the emphasis on freight and bi-state cooperation.

ii) Additional Railroad Resources in the I-5 Corridor

(1) Track Capacity

Background: Today the federal investment in passenger rail is a fraction of what is spent on other modes of transportation, and is limited primarily to providing Amtrak with annual operating and capital funds, the vast majority of which go to the Northeast Corridor.

In the Pacific Northwest Corridor, the states are paying the full operating cost to Amtrak. Since 1992, Oregon has spent over \$24 million for operating costs alone. The state, local governments and railroads have invested another \$25 million for track and station improvements in the corridor.

Over \$100 million of track and signal improvements is needed in Oregon's portion of the corridor, without counting the cost of upgrading the rail bridge across the Columbia River. Federal funds are also needed to purchase train equipment, which would help lower operating costs.

The joint UP/BN crossing of the Columbia River is one of the busiest and most important rail links in the region. ODOT and WSDOT, in cooperation with Amtrak, the Ports of Portland and Vancouver, and the railroads, are undertaking a track capacity analysis of the joint UP/BN line across the Columbia River. Previous analyses suggest significant capacity problems on this line segment in the near future, which could impact economic development opportunities, passenger train expansion and through freight operations.

Analysis: States should not have to shoulder these costs alone. Federal highway and transit programs provide capital funding for roads, bridges and transit improvements, and likewise federal funds are needed for passenger rail development. Congress could increase the amount of funding available for passenger rail development if legislation pending this year is enacted. Some versions, however, would create a new complicated loan program rather than a grant program.

Loan programs alone will not provide the federal investment needed for states to develop successful passenger rail corridors. The reauthorization of TEA-21 is an opportunity for Congress to establish a federal rail program that adequately supports passenger rail development.

Policy Proposal: Support federal legislation to increase capital funding for freight and passenger rail facilities. Opposes moves to dissolve Amtrak. However, in the event that Amtrak is dissolved or dramatically restructured to eliminate West Coast services, track rights should revert to the state to allow passenger service to continue.

(2) Truman Hobbs

Background: The joint UP/BN crossing of the Columbia River is one of the busiest and most important rail links on the West Coast. ODOT and WSDOT, in cooperation with Amtrak, the Ports of Portland and Vancouver, and the railroads, are undertaking a track capacity analysis of the joint UP/BN line across the Columbia River. Previous analyses indicate significant capacity problems on this line segment which would impact economic development opportunities, passenger train expansion and through freight operations.

The Coast Guard is currently undertaking an examination of the eligibility of the UP/BN railroad bridge over the Columbia River for Truman-Hobbs (navigational hazard) funding. The rail bridge swing-span is lined up with the lift span on the I-5 bridges, making it very difficult and hazardous for ships to use the I-5 "high" fixed span section. Using the fixed span section avoids the need for opening the bridge and the resulting delay on I-5.

Analysis: Truman Hobbs is a federal program that funds projects to address rail hazards to navigation. Projects are selected based on the cost benefit of a given investment to the marine and freight rail facilities.

Policy Proposal: The analysis of the cost delay of the UP/BN rail crossing of the Columbia River should be expanded to include the impacts on truck and auto commerce on the I-5 bridge due to lift span operations caused by the RR bridge.

This can be done under existing statutes, but the law should also be changed to allow car/truck delay as part of the consideration. Truman-Hobbs funds are intended for "in-kind" replacement of navigational hazards but can be contributed toward larger facility upgrading projects such as adding capacity to the UP/BN bridge.

d) Oppose federal preemption of state law regarding weight-mile fees.

Background: Oregon maintains the cost-responsibility of paying for maintenance, preservation and modernization of the road and highway system through the weight-mile fee on commercial trucks. The weight-mile fee is based on the weight of the vehicle, the number of axels and the distance the vehicle travels on Oregon roads. The weight-mile tax is structured to most closely reflect the cost responsibility of trucks relative to the taxes paid by auto users.

Analysis: The national trucking industry has sought to eliminate the weight-mile system at the state and federal level. In the debate leading up to ISTEA and TEA-21 there were efforts to introduce amendments preempting weight-mile taxes on the state level.

Policy Proposal: The federal government should not preempt state authority to establish the most equitable method of assigning and implementing cost responsibility.

e) Multi-State Vehicle Miles Traveled tax demo program.

Background: As the prevalence of electric and hybrid fueled vehicles increases, there is a growing recognition in Oregon and other states that the gasoline tax is becoming a progressively less adequate financial source for surface transportation programs. In the 2001 legislative session Governor Kitzhaber asked for and received legislative approval of a task force to address the future of the gas tax as a source of Oregon highway funding.

The Road User Fee Task Force (RUFTF) is preparing findings and recommendations regarding the viability and applicability of alternatives to the gas tax.

Analysis: Higher fuel efficiency and greater use of alternative fuels for autos erodes the ability of the gas tax to meet growing system demand. Although these vehicles continue to contribute to congestion and road damage, they do not contribute to the transportation trust fund in a proportional fashion.

Policy Proposal: Support a federal effort to examine ways a VMT tax or other road user fee system could be implemented at the state or federal level.

f) Highway Bridge Replacement and Repair (HBRR) issues.

Background: Current federal rules to determine the allocation of HBRR formula funds to states are based principally on the square footage of bridges. The TEA-21 formula does not recognize the additional cost in preserving and rehabilitating movable (lift span) bridges. The movable Willamette River bridges in Portland and elsewhere in Oregon receive the same funding per square foot as more easily maintained fixed span bridges.

Analysis: Under current formula, Oregon received approximately \$40.2 million in HBRR funds over the first four years of TEA-21, representing approximately 2.7 % of total HBRR funds allocated.

Oregon has 27 heavy movable bridges or approximately 2.3 percent of a national total of approximately 1171 heavy movable bridges. By contrast, Oregon has approximately 7,300 total bridges, about 1.2 percent of the national total for all NHS and non-NHS bridges. Oregon's share of structurally deficient and functionally obsolete bridges is 1 percent of the national total.

It is estimated that the cost to replace or rehabilitate movable bridges is 1.7 times the cost of fixed span bridges.

Policy Proposal: Reauthorization should incorporate a 1.7 times factor in the HBRR formula for lift span bridges.

g) Orphan Highways.

Background: An orphan highway is any aging US designated state highway that's role as a regional highway has been supplanted by the construction of the Interstate Freeway system. These highway links were predominantly built in the 1930's, '40's and 50's. During their primary service years, land uses that located along their lengths were auto oriented in type and function. Many were constructed as rural areas evolved into the first tier of suburban communities, making the leap from farm to market roads to urban highways. Much of the older commercial strips and nodes that were served by these state roads have been deteriorating and the roadways are likewise underutilized.

Analysis: A program of new reconstruction funds for state and local jurisdictions would make rehabilitation of these roadways viable as multi-modal main streets and boulevards. Application of these funds should be on routes where more intensive comprehensive plan land use designations are already in place. So doing will allow these facilities to not only provide an improved transportation asset but also change the face of the community from a land use perspective.

Examples of Candidate Routes: In Portland, many of the state highway routes that traverse the city have auto oriented commercial uses along their length with intermittent commercial nodes. Sandy Boulevard, as an example, serves several miles of northeast and southeast Portland as a four-lane arterial with sidewalks, intermittent on-street parking, left turn bays and good transit service. The street, which is a state highway, serves both local and non-local transportation trips. The Hollywood and Parkrose Districts serve as commercial centers along its length. Both regional and local land use and transportation policy focus on returning this street to its historic character by reconstructing the street with boulevard type standards that serve all modes and encourage property owners to reinvest in urban density land uses.

The state, in partnership with the city, designed and reconstructed a 12-block length of Sandy Boulevard using the more progressive regional boulevard design guidelines. The amenities included rehabilitation of the entire street cross section; addition of bike lanes, planted medians, pedestrian curb extensions, wider sidewalks and left turn refuges. Existing engineering standards were a difficult stumbling block, requiring design exceptions for some of the design's elements. Providing for more flexible design standards in this proposed program would save considerable time, money and negotiation.

Since its completion private property owners have invested in their storefronts or in some cases completely rebuilt on the sites using the more urban land use development regulations. These new developments have changed the character of the street and added vitality to the community. Now folks actually walk across the street rather than drive. The project is the region's showcase of how these once forgotten highway segments can become the jewel of the community. Other state highway segments that could be candidates include; Powell Boulevard, Lombard Street and Barbur Boulevard in Portland.

Policy Proposal: Create a pilot program of not more than \$25 million to be funded out of new federal funds, rather than off the top of the formula program. Candidate projects would be judged based on the following criteria:

- (a) 100% federal funding when the local government agrees to take over maintenance.
- (b) Local government must commit to supportive comprehensive plan and zoning designations that support more intensive, mixed-use development along part or all of the route.

- (c) FHWA should provide for more flexible design standards to achieve the program's design goals.
- (d) The program should be limited to a small number of pilot projects to curb wholesale earmarking and provide financing to the truly worthy projects.

h) Freeway Removal and Reuse

Background: There is some interest in more flexibility for federal highway dollars to remove and reuse highways and interstate freeways if that is the desire of the local community.

This would continue the tradition of ISTEA and TEA-21 in giving greater flexibility to local jurisdictions in deciding the best local solution to their transportation and land use needs. It would allow the use of federal funds in major, community defining decisions such as the removal of the waterfront freeway and construction of Tom McCall Park.

However, given the tremendous unmet needs for maintenance and preservation of the existing highway and freeway network and the perhaps even greater unmet need for modernization, there is some concern for how one can justify using federal funds for the removal of functioning highway and freeway segments.

i) Improved Transportation Security.

Background: Following the terrorist attacks of September 11, Congress created a new Transportation Security Administration and Office of Homeland Security to develop and coordinate a comprehensive national strategy to strengthen against terrorist attacks and protect the Nation's transportation systems to ensure freedom of movement for people and commerce.

Analysis: Among the activities that will be worked on in the coming months with state and local agencies are: Incident management, prevention, and response and recovery. For all of these activities, good communications is critical. Transportation agencies play an important role in responding to incidents and ensuring the free movement of people and goods. In the Portland region, an interagency group has identified a series of Intelligent Transportation System (ITS) improvements that will enhance the capability of different government agencies to communicate with one another and share information.

Policy Proposal: Federal funding dedicated to improving security should include transportation improvements in Oregon:

- Fully fund the state's ITS initiative, which includes the Portland region's ITS plan providing greater ability for surveillance and response to emergencies.
- Pay for "hardening" and other improvements to bridges or other potentially vulnerable points in the transportation system.

3) Multi-Modal Policy Issues

a) Expanded funding to address endangered species issues.

Background: New restrictions and capital requirements resulting from Endangered Species Act (ESA) designations and other federal natural resource protection requirements are substantially increasing the cost of transportation infrastructure construction and maintenance particularly for bridges. Ditches and culverts are no longer viewed simply as a means of conveying water; they are also water quality facilities and either barriers or facilitators of fish migratory movements. Any improvements made within our public rights-of-way must enhance habitat and water quality. The ESA and Clean Water Act (CWA) provide no funding for the required system improvements.

For example, Clackamas County estimated that there are 975 culverts that are barriers to fish migration and salmon-recovery efforts. Many of these culverts have to be replaced or retrofitted with baffles to slow water flow allowing for passage of all life stages of salmonids. Using an average cost estimated of \$93,000 per culvert replacement, retrofitting all the culverts in the county would cost \$80-90 million.

Analysis: Over 20 federal statutes impose a variety of environmental mandates on the construction, repair, and maintenance activities undertaken within the federal highway system. A 1995 analysis estimated that added costs due to environmental regulation could be 8 to 10 percent of construction expenditures for federal-aid highway projects. While restrictions are less on state and local roads they are nonetheless considerable.

Multiple environmental benefits can be achieved from conforming road and other transportation projects with ESA requirements. These benefits accrue to the community beyond the transportation benefit in the form of cleaner water, reduced flooding, reduced pollution from urban run off, etc. The cost of providing these additional benefits should be shared beyond the transportation resources.

Policy Proposal: TEA-21 reauthorization could provide a new program significantly expand the existing bridge replacement program to address culverts, blocking fish passage or create an add-on to the Public Lands Highway Program for culverts.

b) Funding Allocation Issues.

Background: With the 2000 Census, there will be a significant increase in the urbanized areas of the country receiving formula allocation of federal transportation planning funds. As many as one hundred new MPOs will be designated in the new bill. In Oregon, two additional MPOs are being formed in Medford and Corvallis. The new MPOs will receive allocations of federal STP and CMAQ funds without reducing the allocations to the existing MPOs regardless of overall federal funding levels. However, unless federal funding increases in the reauthorization, transportation planning fund distributions to the new MPOs will reduce the funding available for existing MPOs.

Policy Proposal:

- (a) FHWA Planning funds should be increased from 1- percent take-down to a 2 percent take-down on the categorical programs to reflect the increasing responsibility of MPOs, the increased number of MPOs as a result of population growth and the increased population inside existing MPOs.
- (b) FTA Planning funds should be increased commensurate with population growth inside MPOs.

c) Refocusing of TCSP program.

Background: The Transportation and Community and Systems Preservation Program (TCSP) began as a targeted \$25 million program in TEA-21. It has since been expanded through the earmarking process into \$250 million program that has drifted significantly from its original purpose. TCSP was established to investigate and address the relationships between transportation and community and system preservation and to identify private sector-based initiatives.

Although any project authorized under Title 23 or chapter 53 of Title 49 U.S.C. was made eligible, it was expected that the program would focus on corridor preservation activities necessary to implement transit oriented development plans, traffic calming measures, or other coordinated preservation practices.

Policy Proposal: Recommended changes include:

- (a) FHWA and FTA should continue to develop guidance for projects to be funded through the program.
- (b) Publish "best practices" from funded projects. Congress should increase the authorized level of the program to \$250 million, comparable to the FY 2003 appropriations.
- (c) Tighten up statutory language to ensure grants cannot be awarded unless they demonstrate a supportive land use benefit.
- (d) Require an evaluation of the merits of the proposed projects by the Federal Highway Administration and approve funding based upon an evaluation of "Highly Recommended," "Recommended" or "Not Recommended." This should be designed to ensure good projects are recommended for funding, although in a more streamlined manner that the large multi-year contracts under the New Starts and National Trade Corridor Programs.

d) Statewide and MPO bicycle program that addresses bicycle travel planning, operations and safety.

Background: Enact a required statewide and MPO bicycle program that addresses bicycle travel planning, operations, safety, and capital construction. The program would also require of the highway, transit, rail, and air programs that bicycle plans resulting from this initiative be included in an intermodal connection investment strategy required

of all modes. The safety program would address a range of issues from integration of auto and bicycle travel to in-school safety training and identification of safe routes to schools for all grade levels. Funding for this requirement would come, in part, from the highway trust fund and could require coordination between school and transportation authorities.

e) Renew federal support to capitalize State Infrastructure Banks (SIBs), expand flexibility of second-generation funds.

Background: State Infrastructure Banks were authorized in ISTEA as a revolving source of funds for both highway and transit capital improvements. As an original pilot State Infrastructure Bank, Oregon was allowed to capitalize its SIB with federal apportionments. At that time, it was thought that loan funds repaid to the SIB, regardless of source – federal or state – could be reloaned without federal conditions, such as Buy America or Davis-Bacon. TEA-21 altered this. Only four named states are now allowed to capitalize their SIB's with federal funds.

Analysis: The limitations included in TEA-21 have a limiting effect on the size of Oregon's SIB and, by extension, the size of projects the bank can finance at low interest rates.

Policy Proposal: Lift the limitation on SIB capitalization. Consider changes that allow greater flexibility of reloaned funds.

f) Columbia River channel deepening project

Background: The Port of Portland is pursuing a project sponsored by the Corps of Engineers and six Oregon and Washington ports to deepen the Columbia River navigation channel from 40 to 43 feet, subject to the necessary environmental approvals. A deeper navigation channel will enable cargo ships to carry larger, more cost-effective loads, yielding significant transportation savings to thousands of shippers in the Pacific Northwest and elsewhere in the United States. The project also includes several environmental features that will improve the Columbia River's habitat and environmental quality.

Analysis: Although it is not been addressed in the TEA-21 reauthorization bill, the channel-deepening project continues to be an important transportation priority for the region.

Policy Position: Support the channel-deepening project, subject to the necessary environmental approvals.

g) Railroad shared use requirements

Background: Current federal regulations regarding shared use of tracks between freight and passenger rail operations are intended to address safety concerns. However, as

currently structured, the regulations pose a significant obstacle to the efficient use of these valuable resources. The Federal Railroad Administration (FRA) model emphasizes train crash standards and prohibitions against operating freight and passenger trains together. Other models for preserving safety while allowing shared use are used in Europe where technology is emphasized.

Analysis: The European approach to track sharing regulations emphasizes improved signaling and braking systems to avoid crashes in the first place. European standards deflect the energy of a crash away from passengers, and emphasize braking systems, block signaling systems, speed limits where appropriate, and crumple zones to allow passenger vehicles to absorb the brunt of an impact while protecting passengers and drivers. In comparison, FRA's vehicle safety standards do not speak to locomotive braking, train signaling systems, or speed limits. New authority is needed to facilitate the rules and procedures for permitting shared use of freight rail tracks by Amtrak and commuter rail projects.

Policy Proposal: Support increased funding for the Section 130 grade separation program to enhance public safety at grade crossings on public highways. Encourage FRA to examine European models of freight/passenger train control and approve pilot projects to demonstrate the technology-based approach.

h) Streetcar Initiatives

Background: Many communities are expressing an interest in small scale rail based transit lines to serve redeveloping central city areas and connect neighborhoods in a way that is very different from regional rail systems. The existing federal assistance program, Federal Transit Section 5309 "New Starts," is oversubscribed and is governed by an extensive review and approval process that is not necessary or appropriate for low cost and non-intrusive urban streetcar lines.

Until the 1950's, many communities had extensive streetcar systems which served to connect neighborhoods to central city employment, shopping and cultural opportunities. As heavy industry migrates from the central city, major opportunities are created to foster the development of new, high-density urban neighborhoods. The creation of additional housing in the central city is a key transportation and economic strategy. By absorbing population growth in the central city, valuable farm and forest lands are preserved, the distances that people must travel for employment and other daily needs are greatly shortened, and the environmentally and fiscally costly expansion of the urban interstate highway system can be avoided.

Streetcar Characteristics: By definition, streetcars operate in existing public rights of way, often co-mingled with other traffic. Unlike regional light rail projects that connect major centers over long distances, streetcars connect redeveloping neighborhoods and major attractions over relatively short distances. Streetcars typically operate at lower speeds with more frequent stops to serve a dense mixed-use environment. For this reason the vehicles rely more heavily on operator control than complex technological systems.

The vehicles' size and scale are respectful of the neighborhood settings in which they operate. Installation of a streetcar line is accomplished with minimal reconstruction within existing streets or rights of way.

Analysis: New resources are needed to aid communities in building modern streetcar lines that provide residents and visitors of the central city with a choice in how they move about. For example, a new Portland streetcar line opened in July 2001, demonstrating the ability to capitalize on lower project cost, a minimally disruptive construction process and the opportunity to attract complimentary, mixed-use urban development. The purpose of this proposal is to set forth the context for a new that would assist communities in developing streetcar lines and systems without competing with larger scale, more costly regional fixed guideway projects.

Policy Proposal:

- (a) New Funding Program: The region supports the creation of a new streetcar-funding category with added funds. Legislative action to limit the propagation of regulations from the executive branch, limit to the degree possible and responsible NEPA requirements through an umbrella categorical exclusion, authorization for the Secretary to execute full funding grant agreements and such other changes in existing code and regulation as may be required to implement this program.
- (b) Project Evaluation Criteria: A new set of project evaluation criteria should be established that is more appropriate to streetcar projects.

Projects should be reviewed solely against the following standards:

- Streetcar projects are intended to be economical and the maximum federal participation should be limited to \$50 million.
- Project sponsors may be transit properties or other units of local general-purpose government.
- The maximum federal share should be limited fifty percent of total project cost. In addition, streetcar projects should require the financial participation in project construction of the owners of real property abutting the alignment excluding owner occupied residential properties. Property owner participation should be required to ensure that the project recovers a portion of enhanced property values. Property owner participation should have a floor of 10% of construction cost.
- Streetcar projects should demonstrate the availability of development/redevelopment opportunities and complimentary land use policies in close proximity to the alignment. Projects must demonstrate that property zoned to accommodate mixed-use development is available adjacent the alignment.
- Streetcar projects should demonstrate how redeveloping or new neighborhoods on vacant or underutilized land will be connected to each other or major attractors in the central city and with major regional transit services.

- Project sponsors must provide a detailed operating plan including frequency of service, hours of operation, and stop locations and demonstrate the financial capacity to operate the line.
- Create under the Federal Housing Act authority for the Department of Housing and Urban Development to contract with urban communities to fund the construction of urban fixed guideways that support the development of housing and the re-development of housing in urban areas by the use of streetcar technology.
- The projects approved for HUD funding would be ranked according to their support of urban densities and other urban livability criteria. They would not be expected to meet traditional ridership thresholds suggested by USDOT-FTA standards. These projects would be eligible to receive up to \$25 million in FTA Sec. 5309 New Start construction funds regardless of the level of HUD support. They would not be required to meet DOT New Start criteria, and would be exempt from DOT ranking.

4) Technical Issues.

a) Shift PMO funding to FTA wide rather than on project-by-project basis.

Currently Project Management Oversight, FTAs mandated outside project review consultant, is paid out of project appropriations. Often this means that projects receive less funding than expected based on the congressional appropriation for a given year. This can cause troubling adjustments in budget, expenditure and borrowing. PMO work supports the oversight function of and mandate of the FTA and should be funded out of the agency's budget rather than project-by-project.

b) Buy America.

Instead of having the Transit Agencies certify that the products that they meet Buy America, the Bus/Rail manufacturers could certify that the product that they sell meets Buy America. Each manufacturer does the initial work any way, so having the Transit Agency be responsible for certification makes little sense and costs the federal government a lot of money as each transit agency buying vehicles must audit and do the work for the certification. It is mostly the pre-award audit that is costly to the Transit Agencies - the post award, including buy inspections, makes sense for the transit agency to perform from a quality control perspective.

c) Review of 12-year life for buses.

Currently, FTA prohibits using federal funds to replace buses less than 12 years old. This requirement does not recognize evolving technology nor does it take into consideration the use of the bus during the 12 years.

When a transit agency tries to participate in forwarding new technology, often the first generation of that technology does not produce the results necessary to maintain operations. Our LNG fleet is good examples. These are 1st Generation LNG buses, which after 8-9 years do not run and we have been unable to get replacement parts as the technology as evolved. They are still listed as 12-year buses and unless we get a waiver from the FTA for both the 12-year life and the pay back for short life, we are on the line for a lot of money to go back to the FTA. This discourages transit agencies from participating in new technology.

Different operating environments age buses in different ways. A small transit agency may only run a bus 25,000 miles per year, 8 hours per day, 5 days per week. We run buses 50,000 miles per year, 20 hours a day, 7 days per week. A more accurate bus life measure would be miles, or hours - or any measure that took in account actual use.

d) Excess property.

On projects, other than Westside Light Rail, for which Tri-Met was given a blanket permission to sell excess property, agencies usually have to go through a lengthy Federal process to dispose of unneeded property acquired with federal funds. FTA requires that property be posted for acquisition first by other federal agencies, then by other public agencies. The process can take up to a year.

e) FTA concurrence.

Transit agencies are required to get FTA concurrence on the purchase of property over \$250,000; that which is \$50,000 more than appraisal and anytime condemnation is used. All of this takes a great deal of time. FTA will sometimes allow larger transit districts to purchase property without agency concurrence, however the decision is optional and the threshold uncertain. FTA should allow those properties with FFGAs to exercise this discretion on their own since these properties are already under considerable scrutiny by FTA and PMO.

f) FTA oversight.

Oversight could be streamlined. Now we have:

- PMO - project management oversight
- FMO - financial management oversight
- PMO - procurement management oversight
- Rail State Safety (and Security) Oversight
- Triennial Reviews

All the above derive out of the same basic 22 or so FTA certification requirements, but transit agencies are subjected to different audits and different audit teams at different times. So it would be less onerous if FTA consolidated the oversight audits, audit teams, and rationalized the schedule/periodicity and relationship among the oversight reviews.

At a minimum there could be 3 teams: PMO (project), State Rail Safety, and Triennial. The first two would be continuing and the latter every 3 years.

g) OMB leveling the playing field.

Many of the differences between FTA and FHWA are rooted in the OMB circulars regarding the differences in the clients served. FHWA primarily deals with states that are considered to have their own constitutional authority and established procedures regarding financial and legal accountability. Transit agencies, cities, and metropolitan areas have lesser status in the view of OMB, largely deriving their authority from states.

OMB requires more scrutiny by the federal departments administering funds to subdivisions of a state. Reducing oversight where it is not needed, such as where jurisdictions can show a consistent record of sound management of federal funds, would reduce costs and unnecessary delay in project implementation.

5) University Transportation Research Centers

Request: Support enhancement of the Federal University Transportation Centers as part of the reauthorization of the transportation bill.

Background: Congress first authorized the creation of University Transportation Centers as part of the Surface Transportation and Uniform Relocation Act of 1987. This initial legislation authorized 10 centers to coincide with the Federal regions. The University Transportation Centers were again reauthorized in ISTEA and TEA-21. Currently TEA-21 authorizes \$158.8 million for grants to 33 centers (regionally designated centers and congressionally specified centers). Research funded through the Centers requires a 50-50 match and is required to meet peer-review standards; in other words, the research done is not opinion or advocacy research.

The Centers designated as "regional centers" are also called Category A centers in the TEA-21 and receive \$1 million per year for research. The level of annual funding for Regional Centers has not changed since 1987, and a variable obligation limit ceiling has reduced current funding to \$870,000. The Congressionally mandated centers fall into three categories:

Category B: Received \$300,000 in 1998 & 1999 and \$500,000 for 2000 & 2001 *There is authorized a limited competition with Category C for the fifth and sixth years
Assumption College, Purdue University, Rutgers University, South Carolina State University, University of Central Florida, University of Denver and Mississippi State University, and University of Southern California and Cal State University Long Beach

Category C: Received \$750,000 for years of 1998 through 2001 *There is authorized a limited competition with Category B for the fifth and sixth years
Morgan State University, New Jersey Institute of Technology, North Carolina A & T State University, North Carolina State University, San Jose State University, University

of Alabama, University of Arkansas, University of Idaho, and University of South Florida

Category D: Received \$2 million per year from 1998 through 2003

George Mason University with University of Virginia and Virginia Polytechnic Institute and State University, Marshall University, Montana State University, Bozeman, Northwestern University, University of Minnesota, and the University of Rhode Island

Justification and Application to Oregon: Making University Transportation Centers a priority in Oregon's recommendations for policies in the reauthorization of the transportation bill will benefit the state's transportation and planning programs. Other organizations are calling for increased funding for research. For example, the American Road and Transport Builders Association is recommending increasing the regional center authorization from \$10 million per year to \$30 million per year. Currently PSU receives about \$100,000 a year in funding for transportation research through an affiliation with the Region X Center located at the University of Washington. Support for the program, including increased funding, would provide additional research capacity through one of two ways: 1) Funding could be increased for the Regional Centers; or 2) PSU could be authorized as one of the Congressionally mandated centers and receive money directly.

Each Center is required to have a theme that organizes the research done by faculty. PSU's theme would be Advanced Information Technology, Urban Transit, and Livability, Health, and Transportation.